How organisations can manage the risk of a severe pandemic — features of best practice

Bob Hayes HAYES RISK MANAGEMENT

The coronavirus COVID-19 pandemic[1] is dominating the attention of most organisations across the globe at present. Governments and medical authorities are struggling to contain the virus spread, minimise the human impact and limit the economic damage. This pandemic seems to have taken the world by surprise, but it should not have. Pandemics happen — they are unpredictable, potentially severe and inevitable. All it takes is a new, efficiently transmitted, "nasty" (virulent) virus, against which nobody has pre-existing immunity.

There were three pandemics in the 20th Century — "Spanish Flu" (1918–20), "Asian Flu" (1957–58) and "Hong Kong Flu" (1968–69). This century, there have been the SARS and MERS epidemics ("near pandemics" in 2002–03 and 2012–13, respectively) and the last pandemic, swine flu,[2] was only a decade ago (2009–10). Pandemics should not come as a great surprise to governments, individuals and organisations. I leave it to others to focus on government and medical preparations and responses. **In this article, I focus on what *organisations* should do.**

The important message is this — *every organisation needs a plan and practical arrangements to prepare for, respond to and recover from a potentially severe pandemic — both now and in the future*. Organisations must do it themselves — the government won't do it for them. Organisations should plan for the worst case; namely a *severe* pandemic which threatens their people, their business continuity and potentially, their very survival if essential business services cannot be maintained. Organisations should aim to match best practice where reasonably practicable.

What do we mean by a "severe" pandemic? That occurs when the virus is *both* widespread *and* highly virulent.[3] The swine flu pandemic was not severe. Whilst the virus was globally widespread, fortunately, it had only a relatively mild effect in most (but not all) cases.[4] In other words, it was not highly virulent. From 1918–1920, the Spanish Flu virus, although relatively mild in the first pandemic wave, mutated into a more virulent form and caused death and disruption on a massive scale.[5] That was a severe pandemic. At the time of writing, it remains to be seen how severe the COVID-19 Pandemic will turn out to be.

Despite modern medical advances, populations remain highly vulnerable to pandemics. The overall impact of a pandemic could be even greater now than in 1918, due largely to greater global population density and the ease and speed of travel. Humans have no pre-existing immunity to new viruses and it still takes up to 12–18 months to develop, test, approve, produce and roll out a new preventive vaccine, even in advanced countries. In the meantime, the population and organisations are vulnerable and other measures (such as border control, isolation of both ill and healthy people, social distancing, enhanced hygiene, quarantine and medical treatment) must be relied upon. These aim to contain the spread and "flatten the curve" (that is, reduce the exponential growth using social distancing to spread out the number of cases over time and lower the peak numbers so that medical resources can cope). The measures limit the impact and "buy time" until a vaccine and effective medicines become available.

This article outlines the author's views on features of best practice pandemic planning for *organisations*, including:

- what a pandemic plan should address
- how it should relate to the organisation's broader business continuity management (BCM) plans and
- how it should be implemented in practice

Some organisations believe they can handle a pandemic using their existing BCM plans (if any), by issuing some masks, hand sanitiser and hygiene posters or by asking staff to work from home. Not ideal. Every organisation should take responsibility for protecting their staff and developing and implementing a *specific* best practice pandemic plan, *in addition to* their standard BCM plan. Both are needed — you can't have one without the other.

What is "best practice"?

There is no definitive "manual" of best practice pandemic planning. My views are based on a synthesis of common themes from a range of government, regulatory and industry good (or prudential) practice guidelines,[6] BCM standards, my own ideas, industry forums and lessons from practical experience.

Pandemic planning assumptions

A best practice pandemic plan should be built upon agreed scenario-based assumptions. In my view, organisations should plan for a *severe* pandemic (that is, globally widespread and highly virulent). Plans should be based on a "vision" of what a severe pandemic would be like, how it would affect the organisation and how the organisation would act as the pandemic approaches and progresses. That vision should cover the full pandemic cycle from first emergence right through its peak or peaks and on to post-pandemic recovery. It should be well-considered and endorsed by top management. It becomes embodied in the agreed assumptions that underlie the plan.

A severe pandemic is characterised by widespread illness, death and disruption, both nationally and worldwide. Most severe pandemics progress in multiple "waves". Expect high staff absenteeism (including key staff) during each wave as staff become ill themselves, care for ill family or mind children as schools and childcare centres close. Social distancing would be enforced both within organisations and in the community and there would be broad government control. Most organisations would likewise be impacted and normal business services reduced to essential services only as service inputs, utilities and government services become affected. Some staff would be unwilling or unable to work or travel. A severe pandemic impacts organisations and their customers, the fabric and workings of society, supply chains, distribution chains and markets. This is a very different scenario to "typical" (eg short-term, limited scope) crises handled by "standard" BCM or crisis management plans, requiring a very different response.

Is this scenario realistic given modern advances in knowledge and technology? The answer is yes. It takes at least 12 months to develop, produce and widely distribute a targeted vaccine. Viruses mutate constantly and sometimes quickly. Modern travel is rapid and widespread, borders are difficult to control and quarantine is hard to implement. Pandemics can quickly become unstoppable, as evidenced in China, then globally and in Australia with the COVID-19 pandemic.

As a basis for organisational planning, it is reasonable to initially assume:

- 10%–40% of the population (and your staff) may be infected
- 30%–50% peak absenteeism in each wave
- 1%–2.5% of those infected may die
- several pandemic waves may occur, each up to 3 months and
- serious disruption to business, markets and society, potentially, for up to 2 years

Compared with a "standard organisational crisis", a severe pandemic crisis is much more widespread, lasts much longer, causes much higher staff unavailability and affects many service inputs including utilities and key suppliers. "Normal" alternative work and recovery strategies (eg getting everyone together somewhere else) don't apply.

Objectives and essentials of pandemic planning

Best practice pandemic plans have clear objectives to:

- minimise the impact on the well-being of staff
- maintain or recover the organisation's essential business services
- meet these objectives by prevention and preparedness, response and recovery and
- meet BCM, work health and safety (WHS),[7] risk management, governance, prudential and other compliance obligations

Best practice pandemic planning involves:

- determining and addressing the things organisations need to do in advance of, during and after a pandemic
- documenting and rolling out a plan across the organisation and
- implementing workable and effective practical arrangements

Components of a best practice BCM "package"

A holistic BCM "package" consists of a number of components, including the organisation's:

- Business Continuity Plan (BCP)
- Crisis Management Team Plan (and Incident Response Team Plans)
- Business Unit Recovery Teams' Operational Recovery Plans (ORPs) and
- Pandemic Plan

Pandemic planning is an essential component of the overall package. However, we will see below that, conversely, broader BCM is required for proper pandemic planning. Note that CEO and top management endorsement and empowerment is essential for both.

Business Impact Analysis (BIA) — the foundation for planning

An up-to-date BIA is the foundation of both the BCP and Pandemic Plan. It identifies essential services and functions that *must* be maintained during a crisis (in this

case, a pandemic) or, in the event of an outage, recovered within the "maximum allowable outage time" and the impact if they are not. It is usually focused on external essential service capabilities. It also identifies the inputs required to produce those services (ie what must be available by when). The organisation must manage the pandemic risks to those inputs in advance of, and during, the pandemic.

The completed BIA becomes the "roadmap" for the Crisis Management Team to achieve and maintain business continuity. The BIA is based on management-endorsed input from authorised and knowledgeable representatives across the business. It must be scrutinised, fine-tuned and then formally accepted and endorsed by the organisation's top management. Finally, it must be regularly maintained and kept up-to-date so it's always ready to go.

Structure and content of a pandemic plan

A best practice pandemic plan will document:

1) objectives

2) governance

3) pandemic roles and responsibilities

4) pandemic strategies and sub-strategies

5) actions for consideration or implementation at each pandemic phase

6) required action milestones

7) preparatory actions and arrangements in advance of a pandemic — things to address now

8) pandemic "Sub-Plans" in key support areas (eg HR, IT, communications)

9) Personal Protective Equipment (PPE) management and distribution Sub-Plan

10) business unit essential pandemic service priorities and required inputs (BIA roadmap)

11) roll-out and implementation, training, testing and exercising maintenance Sub-Plans and

12) post-pandemic actions

Sub-plans succinctly outline a pandemic-specific plan for particular issues or areas, if warranted.

Pandemic planning strategies and sub-strategies

Every pandemic plan should document strategies for achieving the objectives of protecting staff and the business during the pandemic. My top five pandemic strategies and some sample sub-strategies are as follows:

Strategy 1: minimise the impact of a pandemic through sound BCM

Sub-strategies would include:

• knowing what to protect (eg critical services that must continue without interruption)

• knowing what risks and events to protect against and how (formal risk assessment)

• managing service input risks

Strategy 2: protect staff from getting sick

Sub-strategies would include:

• staff health and welfare measures

• staff training and awareness measures

• workplace infection prevention measures

Strategy 3: implement pandemic work practices

Sub-strategies would include:

• alternative work arrangements

• communications arrangements

• controls and compliance arrangements

Strategy 4: ensure critical infrastructure adequately supports required services

Sub-strategies would include:

• crisis coordination facilities

• alternative work accommodation

• IT and other technology

Strategy 5: ensure the continuity of required services

Sub-strategies would include:

• maintain critical pandemic services by ensuring required inputs are available

• recognise and manage pandemic risks for these inputs

• review pandemic resilience of suppliers/critical third-party dependencies

• implement Operational Recovery Plans

Pandemic-specific actions

Strategies and sub-strategies are implemented by actions before, during and after a pandemic. These lead to arrangements, facilities, resources and other preparations or responses. Some should be actioned prior to the

pandemic (eg stockpiling PPE); others actioned at particular pandemic phases or trigger points (eg issuing PPE). In some cases, we can choose when to act.

In my view, best practice pandemic plans are flexible about when to implement certain actions. Some actions should not be tied too rigidly to particular phases or trigger points. As the situation develops (certainly at each pandemic phase and change of phase), the Crisis Management Team should frequently consider and reconsider whether or not to implement each action listed in a "menu" of possible actions. Of course, some actions can only occur logically at a particular stage and others may have deadlines mandated by regulators or the government.

Relationship between the pandemic plan and broader BCM

I believe that best practice pandemic plans are stand-alone documents, rather than being incorporated into the organisation's broader BCP — for three main reasons. Firstly, the government or regulator may expect organisations to have a separate pandemic plan. Secondly, a pandemic, as we've seen, is so different to a "typical" crisis that it requires quite different strategies and actions. Thirdly, it is difficult to consolidate fragments relating to pandemic planning if they are scattered throughout the text, footnotes and attachments of a "typical" BCP.

The BCP and Pandemic Plan should be mutually consistent. The BIA is the starting point and roadmap for both BCM and for pandemic service provision. ORPs, forming part of the broader BCM "package", are also based on the BIA. These are used by Recovery Teams to maintain or recover critical pandemic services. ORPs may incorporate some pandemic-specific elements, particularly regarding restrictions on the level of service, compliance, audit and work process changes resulting from pandemic impacts on inputs.

Implementation of the pandemic plan

Best practice implementation is a multifaceted exercise. The organisation needs to:

- approve and endorse the plan (at top level)
- document and implement pandemic policies (eg attendance, pay, PPE rollout trigger points)
- perform required actions to implement the plan (especially preparatory actions)
- establish infrastructure (eg facilities, IT, crisis coordination)
- establish alternative work arrangements (eg distributed work sites, split shifts, work from home — including policy, WHS, security and IT standards, checklists, compliance and auditing)

- roll out practical arrangements (eg personal hygiene, special cleaning)
- procure, store and manage PPE (eg masks, gloves, hand sanitiser, disinfectant supplies)
- establish pandemic communication arrangements (eg hotlines, social media, call-trees)
- identify and back-up critical staff (key services or technical "experts", cross-training)
- liaise with key third parties and critical interdependencies (including review of their plans)
- transition the pandemic plan from a project to business-as-usual (BAU)
- conduct training and awareness (internally and externally)
- exercise and test the plan (regularly — also report and rectify issues)
- establish a maintenance and review program and
- meet legislative and industry WHS and compliance standards, codes and other requirements. This includes policy on pre-agreed reduction in normal standards

A best practice pandemic plan will be accompanied by a roll-out and implementation plan with individually allocated responsibilities, tasks, timelines and schedules for each component. This implementation plan must be coordinated with key stakeholders and receive senior management approval and endorsement.

Other features of best practice pandemic plans

More generally, in my view, best practice pandemic plans are:

- practical
- comprehensive
- consistent with and adaptable to government plans, advice and directives
- simple, succinct, well indexed and in a user-friendly format
- replete with pictures and brief dot points so that they are easy to read
- in keeping with relevant good practice and prudential practice guides
- regularly reviewed, exercised and maintained and
- approved, visibly endorsed and supported by the CEO and top management

Conclusions

Pandemic planning is all about looking after both your people and your business. Protect your people through training, enhanced hygiene, PPE and social distancing work arrangements.

Protect essential business services by:

- identifying and managing key pandemic input risks
- developing and implementing a comprehensive plan with predetermined objectives, policies, strategies and actions and
- implementing practical arrangements in keeping with internal and external requirements

Don't be complacent. Pandemic preparedness is a BCM, WHS and compliance necessity. Mostly, it's essential good business — consider your potential losses! Further, much of the preparation for a pandemic is relevant to *any* ongoing or extended crisis. If a pandemic is already happening and you don't already have a pandemic plan, follow government directives and advice and implement necessary practical arrangements. When possible, develop and implement a pandemic plan. If you do already have a pandemic plan, review it now to ensure that it meets best practice.

This article was originally published in August 2014 in the Risk Management Today newsletter. It has now been revised and updated in light of the COVID-19 Pandemic. It is derived from the author's e-Workshop and Handbook entitled Pandemic Planning for Organizations (for more information see About the author below).

Bob Hayes
Principal
Hayes Risk Management
hayesrsk@bigpond.net.au
www.hayesriskmanagement.com.au
www.pandemicplanningfororganizations.com

About the author
Bob Hayes is a specialist consultant in pandemic planning, business continuity and security risk management for business and government. Bob presents courses and workshops on best practice pandemic planning. One of Bob's major consultancy roles was the complete re-development and roll-out of the Australian Prudential Regulation Authority's (APRA) internal Pandemic Plan and Business Continuity Management. APRA is the government regulator which sets the BCM prudential standard and pandemic planning prudential guidelines for the Austra-lian Financial Sector. Bob was the former head of security risk management and emergency control for the Reserve Bank of Australia. He also lectured at the University of Western Sydney in security risk management and business continuity and has presented seminars and workshops on pandemic planning, BCM and risk management.
Bob has re-released an in-depth e-Workshop Pandemic Planning for Organizations. Also, a comprehensive Pandemic Planning for Organizations Handbook has been updated in light of the COVID-19 pandemic. For information, contact Ben Barclay at info@futuremedia.com.au.

Footnotes

1. There are multiple definitions of "pandemic". Broadly, a pandemic is an epidemic on a global scale, potentially causing major disruption and human impact. A pandemic occurs when:

    - a new sub-type or strain of a virus emerges in humans and there is little or no pre-existing immunity
    - the virus causes serious disease and death
    - the virus efficiently and quickly spreads between humans worldwide, infecting large numbers of people and resulting in many deaths

2. "Swine flu" is a respiratory illness resulting from the Human Influenza virus. It was named a pandemic (H1N1) in 2009 by the World Health Organization (WHO). It demonstrated efficient and sustained human-to-human transmission.

3. Avian Influenza (H5N1) is a highly virulent virus (WHO cumulative case records indicate around 60% case mortality rate) but thankfully, the virus has not, to date, efficiently transmitted from human-to-human.

4. It is estimated that there were approximately 60 million cases of swine flu in the US alone and hundreds of millions worldwide. However, the case mortality rate was only 0.03%.

5. Conservative estimates are that between 50–100 million deaths resulted from Spanish Flu worldwide between 1918–1919.

6. For instance, the Australian Prudential Regulation Authority (APRA) Prudential Practice Guide CPG 233 *Pandemic Planning* 2013.

7. Employers may wish to check whether, under their applicable laws, they need to undertake pandemic planning as part of their WHS (OHS) duty of care or compliance obligations. A pandemic is a reasonably foreseeable risk.