

Preparing Your Business for the Coronavirus: How Each Department is Impacted and How to Plan Ahead

As the effects of the novel coronavirus, or COVID-19, expand across our global economy, time is of the essence to plan ahead for your people, your customers, and your business. While there is a possibility that spread of the virus will be controlled or that the impact to the global population will not be as severe as initially predicted, it is prudent not to panic, but to plan for a worst case while hoping for a better outcome.

1. Mobilization

We recommend establishing a high-performance, cross-functional task force to spearhead the planning effort with direct communication to senior leadership.

Task Force:

- Identify and establish the core task force with at least HR, Communications, Operations, Legal, Finance, Risk Management, and IT.
- Be thoughtful as to how many and which stakeholders are part of the task force. It is important to make sure that enough stakeholders are brought in to ensure diversity of thought and adequate representation across the business; however, involving too many stakeholders can hinder decision-making and ultimately increase response time.

Governance:

- Establish the governance (or steering committee) with a C-level sponsor and determine who will lead (or co-lead) the task force. The level and position of the sponsor will send a message to employees, customers, and investors and will set a tone for the relative importance of this issue for the organization.
- Define decision rights for the task force. Will the task force make recommendations to senior executives, or will the task force be a decision-making body as well? Which kinds of decisions can be made by the task force?

Communication:

- Anchor your communications back to your core values or guiding principles whenever possible. People want to know why decisions are being made and what criteria they will be based on. Of course, in situations like this, it is important to emphasize that the audience’s safety and health, and the safety of the community at large, are a top priority.
- Where possible, provide a target for when future communication will be released. Consider a regular cadence that people can count on; for example: “Updates will be released as necessary but no less than daily at [a specific time] until further notice.”
- Define how ongoing communication (internal and external) will be drafted, approved, and distributed going forward. Be specific with your plan, ensuring that it answers the standard ‘what’, ‘when’, ‘who’, ‘how’, ‘how often’, and ‘why’ questions.
- Consider internal communication upward, laterally, and downward, as well as messaging to external parties (investors, customers, suppliers, and other third parties).

Impact Assessment:

- Define the level of impact to departments and internal stakeholder groups (High, Med, Low) and their importance to business-critical functions (High, Med, Low).
- Define the level of impact to all external stakeholder groups (High, Med, Low) and their importance to achieving business objectives (High, Med, Low).
- Assess any needs where additional resources and/or external expertise may be required.

Impact Assessment Summary

Department	Interdependencies	Importance to Business-Critical Functions	Likelihood of Business Disruption	Comments
add department	add interdependent departments, stakeholders, or tasks	high, med, low	high, med, low	add comments
EXAMPLE: Call Center Operations	Staffing, Vendor Support, and Technology	high	high	Potential impact to call center staffing if wide impacts to workforce

Action Planning Summary

Actions / Tasks	Key Stakeholders	Outside Expertise Needed	Next Due Date	Comments
add actions	add groups that are required	yes / no / other	mm/dd/yy	add comments
EXAMPLE: Define alternative work from home arrangements for call center operations. Plan ahead with IT and vendors for possible disruptions at low and high business impact levels.	Technology-scale work from home arrangements	no	3/15/20	Estimate the # of employees who will need VPN access

2.

Planning Considerations by Function

Through workshop sessions led by members on the task force, assess the potential impacts to major business functions and define actionable plans to prepare for sustained disruptions to your operations and customers. Consider first, second, third, and fourth order effects associated with the disruption; e.g., if this happens, then this will happen. If that happens, then these things will happen, etc. We've provided a starting point below for key planning considerations.

Human Resources:

- Provide recommendations if an employee or their family member becomes sick. Remind employees to see their doctor or a proper professional if they have any symptoms and/or fever—do not wait and let the medical professionals provide medical advice.
- Remind employees of healthcare benefits and guidance around engaging healthcare professionals through any on-call nurses or telemedicine providers (if included in their coverage).
- Refresh and recommunicate HR Policies and Best Practices (e.g., work from home, sick leave, travel).
- Advise employees where to look for updated information and key policies—may follow similar protocols for weather incidents.
- Update employee travel restrictions, and determine provisions for stranded travelers unable to return home due to travel restrictions or other special considerations.
- If you have operations in multiple countries, be sure to remain current on local laws and regulations.
- Partner with payroll to assess any potential impacts with processing checks or deposits.

Operations:

- Assess the potential impacts to customer-facing and internal business operations. Define alternative options for potential impacts to operations.
- Evaluate the resilience/redundancies of the workforce in countries around the world, particularly as some countries implement quarantines.
- Conduct supplier risk assessments to determine severity and likelihood of impacts (i.e., outsourced vendors in impacted countries). Ask suppliers for their contingency plans in the event disruption occurs.
- Prepare for remote working programs if not established. Work with IT to make sure employees have remote working tools and the appropriate licenses procured.
- Identify opportunities your company may have to help fight the spread of the virus or treat those affected by it.

Customer Experience:

- Define the experience you want your customers to have prior, during, and after a business disruption.
- Be proactive in communicating and setting expectations with customers on any potential impacts to products or services.
- Build scenarios to define how potential disruptions will impact customers' journeys. Determine and prepare for alternative options to support customers due to those impacts.
- Scale customer support functions for anticipated impacts. Consider dedicated support teams if potential impacts are severe.

Legal:

- Review employer plans for compliance with duty of care and obligations with respect to health and safety toward employees, contractors, and customers.
- Review customer and supplier contracts, and understand potential liability. For any identified issues, work with the correct teams to define the action plan to mitigate risk.
- Review corporate insurance policy and understand potential liability.
- Partner with HR, Communications, Finance, and Risk Management for an efficient review of key material before issuance.

Sales:

- Forecast potential impact to sales and opportunity pipeline (e.g., financial impact due to lower sales as well as product/service disruption).
- Plan for alternative ways of working if you have a high-touch, in-person sales force.
- Prepare sales force with a standardized FAQ guide to address common questions customers might have (e.g., where is this product manufactured?).
- Identify high-risk interactions your sales force might have in traveling and coming in contact with people from higher-risk locations.
- Identify opportunities for your product or service to be leveraged to help fight the spread and/or treatment of the virus.

Marketing:

- Develop a proactive plan for what will be communicated to internal and external stakeholders and via which channels (press releases, direct emails to customers, etc.).
- Draft internal and external messaging your company could provide to help increase understanding and set the right expectations of the situation to your stakeholders.
- Review all external messaging to be sensitive to customer needs.
- Understand impacts to any planned advertising or events.
- Be proactive in addressing how to handle conferences and attendance (internal, external, and third party).
- Consider setting up a customer information portal where updates, tips, and communications are posted.

Finance:

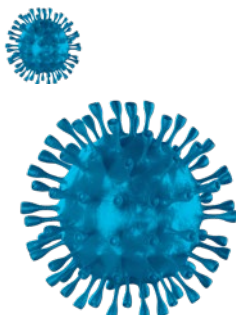
- Evaluate potential impacts to revenue, EBITDA, and earnings per share using a scenario-based approach.
- Update cash flow forecast to account for potential impacts to cash flow based on near-term disruption scenarios.
- Review transactional processing volume, including A/R and A/P, in light of revenue projections, and adjust staffing model accordingly.
- Evaluate potential impacts to debt payments and lender obligations.
- Evaluate potential impacts to market capitalization/valuation and work with investor relations to communicate to analysts or investors as appropriate.

Technology:

- Determine how technology can best support employee alternative working arrangements. Consider:
 - What are the necessary systems that enable these arrangements (VPN, etc.)?
 - What are the most critical systems that employees will need access to (payroll, etc.)?
 - How do you make sure that security is not compromised?
- Develop plans and potentially proactively scale up technology support functions, especially in those areas that provide access and support for key systems.
- Evaluate and reevaluate the list of technology systems and infrastructure to ensure a firm understanding of the assets most important to protect. Ensure resiliency plans are in place.
- Reach out to any suppliers that have a critical hand in your ongoing technology operations. Consider providers of cloud services, network security, mission-critical systems, etc.
- Ensure readiness to begin business continuity plans and begin planning for a “backup to the backup.”

Facilities:

- Plan proactive measures to minimize the spread of the Coronavirus—keep soap dispensers in restrooms full (they may empty more frequently), set up hand sanitizer and sanitizing wipes stations, increase cleaning frequency, etc.
- Install poster reminders for employees to wash hands, what to do if they become sick, work from home options, etc.
- If facilities or certain areas are closed for prolonged periods of time, put extra security measures in place to protect key equipment.
- Keep any touch screens, buttons, and switches clean and sanitary as they often collect germs, especially by elevators, airports, and common areas.



Major business disruptions like the coronavirus are fluid situations and must be watched around the clock. Having a dynamic plan in place is critical to helping your employees, customers, and stakeholders find answers to their questions and navigate the situation efficiently.

Jabian Consulting is a management consulting firm focused on solving our clients' most complex challenges through the implementation of people, process, and technology strategies—ultimately helping them become more efficient and profitable. Jabian serves clients through our local offices in Atlanta, Dallas, Charlotte, and Chicago. If you would like to learn more about the solutions Jabian provides, please visit jabian.com or send a note to planahead@jabian.com.

This content is for informational purposes only and does not constitute medical, legal, investment, or any other type of professional advice. Please consult an appropriate professional for advice concerning your particular matter.