Operating in the New Normal:
Assessing and Managing Risk in the COVID-19 Environment

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As the dust settles on the initial phases of response to the COVID-19 pandemic, globally mobile organizations are beginning to ask themselves: How do we operate in this "new normal?" When, and how, can we start to resume travel and other activities that we've put on hold? There are, of course, no clear or easy answers to those questions. Most agree that a phased or incremental approach, starting in locations that have "flattened" or reduced their COVID-19 infection curve, is needed. But, beyond that, where to begin?

For organizations seeking to resume activities, an essential starting point is to (re)assess risks and adjust mitigation and response measures to meet the challenges posed by the COVID-19 pandemic environment. Where they exist, this review should build on existing risk registers or other assessment processes. For organizations without an existing process, there's no time like the present to start a risk assessment system, which can focus initially on those risks related to operating in the current environment, then expand over time.

(Re)Assess Risks and Adapt Measures to the New Normal

Risk assessments aren't new, of course. A structured risk assessment process is an essential tool to evaluate organizationally specific risk exposure and build targeted mitigation measures. Done effectively, risk assessments are an invaluable business resiliency resource, enabling operations and activities in a myriad of challenging environments. Capturing details about a risk register or other chart provides leaders with a summary of risks and corresponding management systems that can guide business decision making.

In the COVID-19 pandemic environment, where even the most basic elements of business involve uncertainty, re-assessing risks associated with global operations is critical to planning any re-start of activities.

Following are key steps in the process:

1 IDENTIFY KEY RISKS

Many of these may be similar to the pre-COVID-19 environment with additional complexities (e.g. accessing emergency medical assistance), while others may be new (e.g., compliance with stay-at-home orders or travel restrictions). Categories of risk may include:

- **Operational and management** – As COVID-19 continues to present a significant health risk, organizations may find management personnel or other key team members out sick for extended periods, either ill or supporting family members, increasing the importance of redundancy in critical functions.

- **Legal, regulatory or other compliance** – Stay-at-home orders, closure of non-essential business (the definition of which varies by location) and social distancing pose challenges to operations and from non-compliance; internationally - curfews, lockdowns and movement restrictions are being rigorously enforced.

- **Health** – COVID-19 cases are still rising in many locations, and other illness and injuries continue; medical facilities in some locations are overwhelmed, reducing capacity to treat patients.

- **Safety and security** – Crime, especially targeting empty offices, has increased globally. Civil unrest has flared in a number of overseas locations as have xenophobic attacks, targeting internationals perceived as the source of COVID-19.

- **Information/technology** – Enterprising cyber criminals have exploited people working from home on less secure networks and distracted by multi-tasking day-to-day activities.

2 RATE RISKS

Using a basic matrix, risks can be rated based on the likelihood of occurrence and consequence if it were to occur. Rating risks as low, medium, high and extreme helps contextualize risk and prioritize actions, including increased mitigation or risk avoidance.

Likelihood	Consequence				
	Insignificant	Minor	Moderate	Major	Severe
Almost Certain	M	H	H	E	E
Likely	M	M	H	H	E
Possible	L	M	M	H	E
Unlikely	L	M	M	M	H
Rare	L	L	M	M	H

Don't let perfect be the enemy of the good; focus on solid estimates versus overly quantified answers. A cross operational/multidisciplinary team is especially valuable in this step to help ensure a diverse and realistic assessment.

3

REVIEW MEASURES CURRENTLY IN PLACE TO MANAGE RISKS

Consider both mitigation, i.e. lowering the likelihood and impact of a risk, as well as measures in place to respond to an occurrence. Some of these may be pre-pandemic measures, while others will have been adopted or adapted to fit the current environment. For example, most organizations will have had a policy that sick employees shouldn't come into the office; obviously in the pandemic environment, that takes on a whole new level of importance.

Given how quickly the COVID-19 pandemic has developed, it's essential to review measures to ensure they address the evolving risks that may impact the organization based on the type of work being done, who's doing it and where the activities occur.

4

REVISE MEASURES THAT NEED ADJUSTMENT TO MEET COVID-19 RELATED RISKS

Address more significant and time sensitive risks first, including those that have a direct impact on the health and welfare of personnel, such as cleaning and sanitizing office space or those that impact ability to operate remotely, including robust information security measures. Recognize that some mitigation measures may require longer than usual implementation time. For example, sanitizing office space may require supplies that are difficult to obtain or the use of outside contractors that are in high demand.

While some risk management measures in the current environment may be adapted versions of pre-pandemic plans and procedures, many COVID-19 specific measures will be new. Guidance about cleaning and disinfecting offices, appropriate social distancing and other office set-up procedures will need to be developed and evolve. The US Centers for Disease Control, Occupational Health and Safety Administration (OSHA), and the World Health Organization (WHO) all provide detailed guidance about preparing workplaces for a resumption of activities.

Travel was one of the first business elements impacted by COVID-19, and it's likely to remain a challenge as the pandemic evolves. Unlike offices and other workplaces where organizations will have some degree of control, travelling exposes team members to the potential for more varied risks and uncertain levels of mitigation. Understanding how airlines and hotels, such as Marriott Hotels and American Airlines, are adjusting to manage COVID-19 related risks will be essential. And, expect new measures that would have seemed unthinkable six months ago: For travelers bound for locations that require a COVID-19 health certificate, Emirates Airlines has begun administering blood tests for COVID-19 antibodies. Be clear and consistent about what measures need to be in place before activities or operations can resume and make sure they happen. Now is not the time to cut corners or become complacent.

5

IDENTIFY TRIGGERS OR CRITERIA FOR RESUMING ACTIVITIES

Establishing clear conditions or milestones that need to be achieved before a return to specific activities will be important. These milestones serve as guideposts for making decisions about moving forward with, or increasing restrictions on, activities or operations as the situation continues to develop. Establishing clear, objective criteria <u>before</u> resuming activity is essential to avoid.

Governments and public health organizations have begun issuing guidance about resuming work and other activities. The US Government's Plan for Opening Up America outlines a phased approach that includes criteria to be met for each phase and guidance about activities that can be resumed with each phase. For example, telework is encouraged to continue in Phase One and non-essential travel can resume in Phase Two. The World Health Organization (WHO) has issued broad criteria for relaxing current COVID-19 measures (figure 1) and many US states are in the process of developing plans for re-opening business and other activities.

Some of these governmental criteria will be directly applicable to organizations resuming activities, while others may be adapted to fit specific needs. Based on the nature of their work, organizations will need to develop specific criteria. For example, organizations operating internationally will need to link resuming operations in overseas locations with host country restrictions.

While understandably much of the focus is currently on resuming activities, organizations should also be prepared to contract activities should COVID-19 cases resurge, or other conditions deteriorate. Triggers or criteria for scaling back in response to a resurgence of cases should be established and closely monitored.

World Health Organization – Criteria for Relaxing COVID-19 Restrictions
1. Transmission is controlled.
2. Health system capacities are in place to detect, test, isolate and treat every case and trace every contact.
3. Outbreak risks are minimized in special settings, like health facilities and nursing homes.
4. Preventative measures and in place in workplaces, schools and other places where it's essential for people to go.
5. Importation risks can be managed.
6. Communities are fully educated, engaged and empowered to adjust to the new normal.

Figure 1, Source: World Health Organization COVID-19 Strategy Update April 14, 2020

Communication and education will be a crucial element to operating in the pandemic (and hopefully soon post-pandemic) environment. Whether it's policy and procedure guidance or information about risks in a specific location, the dynamic nature of the COVID-19 environment makes timely and accurate communication essential to business operations to ensure people understand the risks and the measures in place to manage them.

There's no easy or straightforward answer to moving forward with business operations in the COVID-19 pandemic. Given the evolving nature of the challenge, it's likely that organizations will need to adapt a range of policies, procedures and resources to enable business while effectively managing risks. Updated risk assessments provide a foundation upon which these policies, procedures and resources can be built and fine-tuned to address the risk management needs of global businesses as they work to operate in the "new normal."

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