COVID-19 & SUPPLY CHAINS

From business continuity planning to supplier sourcing, how to build resiliency in an unstable world
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05 An Inevitable Future

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An Introduction
From Avetta

avetta.com/why-avetta
03/19/2020

Dear Avetta Clients & Partners,

First and foremost, I hope that you and your families are safe and healthy during this global pandemic. No matter what part of the world you live in, you are a valued client and partner, and on behalf of myself and all of my colleagues at Avetta, we wish you well. We recognize that with the constantly changing COVID-19 situation around the world, this is an unprecedented time for everyone. I want you to know you have our commitment to continue providing you with the products and services your business depends on.

As a valued client or partner of Avetta and BROWZ, we understand the importance of the products and services we provide to you and your business. You rely on us to provide detailed information about your contractors and suppliers and we understand the responsibility.

Avetta has implemented our business continuity plan, which examines all areas of business operations at every Avetta site globally, including our remote workforce. We have taken actions to ensure continued service to our clients and suppliers. We are prepared to continue providing service to you.

Our continuity plan places the highest priority on keeping our employees, families, and communities as healthy and safe as possible. Considering the most recent news from the World Health Organization (WHO) and Centers for Disease Control and Prevention (CDC), we made the decision last week to have all employees work remotely until it is safe to have them return. In addition, our software and the systems and technology needed to remotely support both clients and suppliers are all fully operational for remote workers. These systems have been tested for reliability and continuity. We have also ensured that our key suppliers have activated business continuity plans sufficient to support us without disruption.

For employees, we’ve offered extended sick leave for those who should need it. Further, we have banned non-essential travel for all employees. Any required domestic or international travel will need approval from the Chief HR Officer. In addition, we have postponed all events and roadshows. We continue to monitor the situation and will make updates to our plan accordingly.

These precautionary measures have been taken to limit the potential spread of the virus, to support our employees in this challenging time, and to ensure we maintain our ability to serve you, our customer, for the long term. Our senior leadership team remains vigilant and is monitoring the situation in real time and responding rapidly as conditions evolve.

Please be safe and stay healthy.

Arshad Matin
President & CEO, Avetta
COVID-19:
We're taking steps internally to ensure we can support you during this crisis by:

- Maintaining a current Business Continuity Plan
- Promoting a safe, clean and sanitized work environment
- Enabling employees to work remotely
- Instituting Office Distancing policies
- Eliminating visitors to the office
- Encouraging employees to self-educate using online resources (WHO)
- Restricting travel—all non-essential travel is forbidden

How is your organization handling it?
To learn more, we encourage you to visit our COVID-19 Resource Library.

avetta.com/covid

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COVID-19 Resource Library

With the current outbreak of COVID-19 and its effect on companies and supply chains, Avetta has created numerous resources as a guide to help you navigate this difficult period. We will be continually updating this with more information and resources as they become available, so feel free to check back in often.

Business Continuity Planning

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Author: Avetta Marketing

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Infographics

Avetta CEO Message

Other
Combating the Contagion
Tackling the COVID-19 Outbreak in the Workplace

What Employers Need to Know?

The COVID-19 pandemic is exposing workplaces to unforeseen health and safety risks. Companies across industries are facing serious financial and operational challenges, with everyone being tested in unique ways. In such circumstances, as an employer, your responsibilities lie in protecting your workers from workplace hazards while identifying and managing any emerging risks arising from the outbreak.

The fallout of the pandemic can be unsettling for any business, however, it shouldn’t induce panic. By being well-versed with the facts, you can play a critical role in responding to worker concerns while at the same time ensuring business continuity and avoiding worker safety penalties and legal mishaps. Here’s what you need to know in order to quickly plan and respond to the pandemic:

What emergency planning should you do?

Develop an effective response plan for managing COVID-19 with clear guidelines for employees in the event of a direct workplace exposure. All policies and guidelines need to be communicated with both employees and workers. Provide well-defined direction and guidance on what is expected out of them and update them whenever there is a change in any workplace policy. As an employer you should ensure that your workers know:

- When to stop coming for work
- The actions they need to take if they become unwell
- The symptoms they need to be concerned about
- Basic workplace hygiene practices
As a contingency measure, you should also create crisis management teams that can serve as a point of contact for workers who want to voice any challenges they face in the workplace. If possible, go one step further and provide your workers access to 24/7 support services such as employee assistance programs which can help manage panic in the event of exposure.

Additionally, you need to also focus on opening all communicating channels where workers can openly discuss health and safety issues pertaining to COVID-19 pandemic with the key decision-makers. Allow workers to express their views clearly and take them into account before making any decisions. Given the widespread coverage this pandemic has received on a global level, your workers are likely aware of the risks they face at work. Involving them closely will help them recognize your long-term commitment to workplace health and safety while increasing their understanding of the role stringent policy changes have in mitigating risks.
Are there any OSHA guidelines to follow?

OSHA has underlined some basic guidelines you can follow in order to reduce the risk of worker exposure to COVID-19.

■ Prepare a Holistic Infectious Disease Response Plan

If you do not have a response plan in place, create one. It can help drive protective actions against the pandemic. As an employer, you need to stay updated with the guidelines laid down by state, federal or territorial health authorities and consider implementing the recommendations into your workplace specific plans. The response plans should address risks associated with various worksites and the tasks that workers perform across these sites.

■ Enforce Basic Disease Prevention Measures

For the majority of employers, the success of their workplace health and safety plans during these turbulent times will depend on how well they enforce basic hygiene practices. According to OSHA, every employer should implement the following hygiene and infection control practices:

| Encourage frequent handwashing by providing workers and worksite visitors with a place to wash hands. |
| Allow workers to work from home if they are unwell. |
| Follow and promote respiratory etiquette. Ask workers to cover sneezes and coughs. |
| Establish flexible work policies and practices if possible |
| Maintain regular housekeeping practices |

■ Create Policies and Procedures for Quick Identification of People who are Unwell

Quickly identifying and isolating potentially infected workers can help you protect your workforce from widespread exposure. Inform and encourage your workers to proactively monitor for any symptoms of COVID-19 when they suspect possible exposure.
Implement Stringent Workplace Controls

An ideal way to control COVID-19 exposure in workplace is to systematically eliminate all the risks, rather than depending on workers to reduce their exposure. For mitigating the risk of COVID-19 exposure in workplaces, OSHA underlines the following “hierarchy of controls” which is a list of protection measures ranked from most effective to least effective:

Engineering Controls

Engineering controls essentially involve isolating employees from all the hazards that might be present. These controls can allow you to reduce hazard exposure without the need for controlling worker behaviour. They include:

- Installation of high-efficiency air filters in the workplace
- Enhancing ventilation in the workplace environment
- Installing physical barriers such as clear plastic sneeze guards

Administrative Controls

Typically, these controls involve changing specific workplace policies and procedures to reduce the impact of the pandemic. The controls include:

- Allowing sick workers to stay at home
- Minimizing physical contact among workers by encouraging social distancing
- Establishing flexible shifts or alternate work hours to reduce the number of workers in a facility at any given point of time
- Discontinuing travels to zones heavily infected with COVID-19
- Training and educating workers on the risk factors involved with COVID-19 and disease prevention measures
- Encouraging the use of personal protective equipment (PPE)

Safe Work Practices

Safe work practices are a type of administrative controls that include procedures designed to reduce the intensity and duration of COVID-19 exposure. Safe work controls include:

- Making provisions of resources and creating a work environment that promotes personal hygiene.
- Promoting regular hand-washing among workers

Personal Protective Equipment (PPE)

While engineering and administrative controls are undeniably the most effective methods to combat an outbreak, PPE may also be required to contain certain types of exposures. All the PPE used during the outbreak should be:

- Selected on the type of hazard that a worker is exposed to
- Properly worn and sanitized after use
- Inspected, maintained and replaced if required
- Properly disposed of after use in order to restrict contamination
What to do if an employee tests positive?

If one of your workers is confirmed COVID-19 positive, ensure that he/she is promptly identified and isolated from the rest.

- Move infected and potentially exposed people to isolation chambers for immediate treatment.
- In remote worksites, move suspected workers to a location away from other workers or site visitors. Assess the risks thoroughly and find out how much contact the worker had with others on the site.
- If the infected worker had limited contact, evacuate the area and ensure that it is thoroughly sanitized and deep cleaned. Send the workers home who may have come in contact with the infected person. If the worker had contact with a large group, then you may also have to direct the workers to self-isolate for 14 days.
- Review the control measures regularly. Remember that if workers keep falling ill despite taking measures then it may indicate that the current controls aren’t working as intended.
How to establish a clear contractor policy?

In order to take the right measures that can help minimize workplace disruptions and protect contractors/workers from exposure, you need to take the following into consideration:

- Safeguard your most valuable asset-people
- Constantly monitor your procurement value chain to identify potential risks and vulnerabilities
- Make sure your business continuity plans and procedures are up-to-date

Avetta, with its experience of helping companies manage and mitigate supply chain risks can help you mitigate the threats posed by the COVID-19 pandemic. With the Connect Platform, Avetta can help you identify and monitor contractors operating within the high-risk zones and the ones who risk jeopardizing your safety stance. Proactive monitoring of contractors before the outbreak hits can help you identify areas of vulnerability where back-up or alternative sourcing options are required.
In the current world climate, protecting workers from COVID-19 exposure is critical for any organization. Any control or prevention measure taken in this regard must consider the following factors –

- The type of work being done
- Risk of exposure
- Potential for interaction with infectious people
- Contamination of the work environment

**Determining the Right PPE Strategy**

For employers looking to ensure the safety of their workers, adaptable infection control and a thorough PPE contingency strategy is a must.

**Few Things to Remember**

- PPE should fit properly; it shouldn’t be too tight or loose
- Do not wear PPE outside worksite to prevent contamination
- Peel disposable gloves inside-out while removing
- Doff PPE safely to avoid skin contamination
- Thoroughly sanitize reusable gloves

**The list of recommended PPEs to help prevent worker exposure to COVID-19**

- Disposable Respirators
- Respirator Filters
- Goggles and Safety Glasses
- Face Shields
- Procedural Masks
- Disposable Gloves
- PPE is More Effective than you Think

To learn more about PPE standards, regulations and best practices visit www.avetta.com today!
Steps to Prevent Coronavirus from Disrupting your Global Supply Chain

In 2003, China’s economic growth fell three percentage points from – 8% year-on-year to 5% year-on-year. This was largely attributed to what became known as the SARS outbreak, a respiratory virus that infected over 8,000 people and killed 774.

17 years later, businesses are facing a similar dilemma. An outbreak of COVID-19 is sending ripples across the contractor and industrial landscape. Unfortunately, according to current numbers, the new strain of the coronavirus might have an even bigger impact than the SARS-CoV outbreak.

It took the SARS outbreak more than six months to infect 5,000 people in mainland China. COVID-19 had reached that number in less than a month. Since then it has continued to spread, reaching every continent (excluding Antarctica) in two months.

The Business Impact of Coronavirus
But it’s not just the rate at which COVID-19 outbreak is spreading that is worrying for the global economy. A comparison of China’s position as an economic hub between 2003 and the present paints an even grimmer picture. In 2003, when the SARS-CoV broke out, China’s GDP was USD 1.6 trillion. In 2018, China’s GDP stood at USD 13.6 trillion. China's export volumes have grown as well from USD 438 billion in 2003 to USD 2.5 trillion in 2018.

Regardless of whether businesses have operations in affected regions, there are going to be repercussions of the COVID-19 felt across industries. Restrictions on travel and absenteeism within vendors and suppliers could cause massive supply chain disruptions worldwide. That said, companies with significant portions of operations in China are at particular risk of upheaval.

How to Prepare for Unexpected Changes
Organizations need to take precautionary measures in order to ensure business continuity during the fallout.

According to a recent independent interview with 20 EHS leaders, more than 40% stated that they are stopping work in the affected area. Another report found that many businesses are contemplating removing their supply chain networks out of China indefinitely.

This supply chain uncertainty is part of the reason why almost USD 100 billion was estimated as lost revenue during the outbreak. To avoid a similar fate, businesses need to adapt and stay ahead of the rapidly progressing disease.
One of the most significant things organizations can do is to establish a comprehensive and conducive business continuity plan (BCP) and determine the degree of organizational preparedness to deal with the global COVID-19 outbreak. This includes:

- Reviewing company policies on communicable diseases
- Monitoring internal and external communication measures
- Conducting thorough online and off-line training and simulation drills

Some organizations found that creating an emergency task force to monitor and communicate health and safety processes, allow them to adapt as quickly as the virus might. Further, it helps companies to keep employees updated on the local scenario and business processes so there are no questions on who should be traveling or coming into work.

Best Practices Concerning Ongoing Operations

One such task force was able to communicate the following best practices to their employees, successfully maintaining operations and eliminating project delays.

- Replace face-to-face meetings with video conferences
- Permit staff to work from home
- Implement a 14-day self-quarantine period for employees that have traveled to infected areas
- Apply the same restrictions among suppliers and temporary workers as you do full-time employees
- In heavily impacted areas, conduct temperature scans before allowing entry to work. All workers should wear the necessary PPE

If someone on-site is suspected to be infected that staff member should leave the office immediately and visit the doctor. Before returning to work they need a "cleared to work" form by a medical professional. Also, please note if someone is showing symptoms they may be detained while crossing borders.

Securing Your Supply Chain with Avetta

In addition to developing a strong BCP plan, businesses can also find success in diversifying their contractor base.

With Avetta’s network of over 95,000 suppliers, clients are able to quickly find and vet contractors outside of infected areas. This allows businesses to avoid delays while maintaining a safe work environment.

This practice of diversifying your base will help businesses overcome many localized issues that may come up, from inclement weather to viral outbreaks.
Adapting to Outside Forces
While the general mass is reeling in the shock of COVID-19, business owners are forced to make critical decisions with limited insight into what is coming. And with regulatory bodies enacting stringent, preventive socio-economic restrictions, many businesses are taking an insurmountable hit. They are forced to face operational setbacks as they struggle to comply with social distancing, which is the only perceivable way to stop the disease from spreading. Even though the options are limited at this point, organizations can still make strategic moves to ensure business continuity.

As the pandemic progresses, businesses that have implemented the preliminary measures, which include following the WHO and CDC guidelines, should also anticipate and prepare for the possibility of a complete shutdown.
Ensuring business continuity during shutdowns

To mitigate damages while workplaces are shut down, organizations must frame and subsequently implement robust and sustainable Business Continuity Plans (BCP). Even though the on-field operations might take a hit and face complete closure, official communication and other basic, but critical, business functions need to continue.

In a robust BCP the organization identifies the section of the workforce that will be working remotely. The next steps are largely preventive and ensure that their infrastructure, applications, and technology platforms, support the reality of working remotely. There should also be set countermeasures against any points of failure during remote operations. A competent IT team should be geared up to support the employees during any stage of this process.

Another major point of consideration is data and systems security. Organizations should verify that the support team is monitoring the security of applications for remote access. All the business-critical data and applications should be pre-tested with stringent security measures in place. This may include third-party security suits and usage of a VPN.

Seamlessly transitioning to remote operations

Once an organization is prepared to work remotely, they should review the processes at the employee/worker level to ensure a successful transition. Other than providing them basic system and technological support, there are several aspects that need to be considered at the employee-end to ensure smooth functioning.

**Time management training:**

With manager-employee interaction severely cut down, there will be plenty of opportunity for productivity to wane. Review potential productivity tools and training to manage their work within set timelines.

**Training remote employees to use organizational skills:**

Leaders of organizations should help their employees realize the importance of staying motivated while working remotely. If seniors can demonstrate this, it will help spread the expectation among the rest of the employees.
Open communication channel:

Keeping up with the theme of productivity and continuity, an organization needs to keep up constant communication with employees/contractors regardless of where they are working. Providing employees with a platform to engage and share will go a long way in establishing a strong communication channel. This will also lead to worker welfare and higher productivity gains.

Managing fear and uncertainty among employees

Understandably, a global incident such as the COVID-19 pandemic is enough to create substantial fear and panic among the employees. A never-seen-before disruption of this kind will naturally develop a feeling of uncertainty among employees with respect to their careers. It is, therefore, important that organizations do their best to assure employees, and help them overcome their fears. Dealing with your employees’ concerns with empathy and rationality may become the benchmark of leadership for years to come, and stand out as a definitive sign of an organization’s capabilities.

For employees feeling a sense of uncertainty over payments, the U.S Department of Labor’s Fair Labor Standards Act (FLSA) has clear guidelines on payments during business closure. The first deciding factor is whether an employee can be deemed an exempt or a non-exempt employee.

| Non-Exempt Employees: |
| Under the FLSA, employers must pay all non-exempt employees only for the hours of work they put in, and not the actual hours they would have in case businesses remained open. In case of non-exempt employees working remotely, employers are obliged to pay 1.5 times the hourly wages for any overtime. |

| Exempt Employees: |
| All exempt employees are eligible for a full salary for any work they perform during closure. However, employers are not required to pay the employees in case they perform no work. |
Other than this, there are general guidelines that any employer can follow to address employee anxiety over the pandemic.

- For an employee, fear of an uncertain future is often their first concern during mandated shutdowns. Sharing sections of your business continuity plan with employees may bring comfort to them during this time. It may also serve an organization well to compile a list of FAQs pertaining to the specific scenario and distribute it with answers among the employees.

- Keeping employees updated with developments and new information may go a long way in reassuring employees. On open channel of communication cannot be overstated for a well functioning employer-employee relationship.

- Empathizing with and reassuring employees is a sign that they are valued as a resource to the organization. This can boost the morale of the anxious employees and provide them some much-needed assurance. In addition, it will build loyalty which has been proven to improve the bottom line.

- Organizations should be aware of the stress generated among the employees due to the outbreak. They should appreciate the situation at large and encourage employees to self-care and take time to manage stress.

- Since it’s no longer “business as usual”, there’s a chance that productivity may see a downturn. It is very important to manage individual and organizational expectations accordingly in tandem with time and events.
In conclusion

Irrespective of whether businesses have operations in COVID-19 impacted zones, there are bound to be repercussions of the pandemic felt across all industries. Restrictions on travel and mandated shutdowns of facilities will have larger implications in the form of supply chain breakdowns across the world. However, companies with operations in the COVID impacted zones are at a particular risk of upheaval. With companies already confirming serious sourcing issues across the procurement value chain, the need of the hour is to find alternatives to established supply chain partners. And, it is here where wider supplier networks can create the difference.

With the help of Avetta, you can gain access to a network of 95,000+ potential suppliers spread across 125 countries. The network can essentially help you reroute your supply chain to alternative regions that are less affected and engage with suppliers who are aligned to your safety, sustainability and quality requirements.
COVID-19 has rapidly become a challenge for everyone and while social distancing is an extremely important way to slow down the spread of the virus, the issue of moving suddenly from a ‘socially aware’ community within the office environment and being thrust into a homeworking environment where you can find the only way you communicate with your co-workers is via the telephone or the internet, is very real.

As a result of these extreme and sudden measures, an individual can feel the impact of working on their own very quickly. Battling questions such as how they will keep in touch; and are they able to deliver their work both safely and to the same standards without having immediate colleague support. The enforcement of lone working which many workers are currently experiencing can result in a disconnect or isolation, in extreme cases a feeling of abandonment leading to loneliness.

Feeling lonely is a normal human emotion, but when you feel loneliness for an extended period of time, it isn’t just unpleasant, it’s actually bad for your health.

While we know that isolation from a societal perspective has a negative impact on health, we don’t really know what the long term impact of enforced (and possibly prolonged) social isolation from the workplace could be. From academic research we do know that extended periods of being alone can lead to issues with sleep disturbance, which ultimately can lead to tiredness and poor decision making and retention of information. It can also impact on your overall health where your immune system can become suppressed, leading to higher levels of illness.
When there is connection to a familiar group, a sense of motivation and intention can encourage a person to take better care of themselves. The influence of others may encourage behaviour that contributes to good health, such as laughter, feeling happy and being more active.

In times like this, it’s essential that we support one another and show compassion to those who need it. This is a shared experience that’s stressful for everyone – and we don’t know how long it’s going to go on for.

Older or more vulnerable people and perhaps those without a personal support system may be more susceptible to feeling lonely if they’re forced to isolate.

Positive social interactions can help reduce loneliness. Showing genuine interest in others, sharing positive news, and bringing up shared memories can further improve our relationships, and while we can’t replace the value of face-to-face interactions, we need to be flexible and think creatively in these circumstances.

It’s important to recognise that individuals will likely need additional guidance and support in the coming weeks and months.

Here are some tips to remain connected when you’re practising social distancing or in quarantine:
Present practical information
Not knowing can be worse than knowing and one of the most important things an employer can do, is to provide useful information to its employees. This includes everything from clear guidance on what policies are in place whilst Coronavirus is active, changes that are happening across the business and resources to support employees through difficult times.

It is essential that we make the message clear, unambiguous and firmly commit how we plan to support employees in the business, especially team members. These messages are particularly powerful coming from the top, but it’s also important that managers feel empowered to communicate clearly.

Instant messaging
Communication within organisations and teams can be one of the biggest challenges when your entire workforce is remote. Chat software like Microsoft Teams, Whiteboard and WhatsApp allow seamless communication between individuals, departments, regions and the business unit. Instant messaging allows people to discuss work, brainstorm ideas and stay connected to each other throughout the workday. Encourage your team to pay extra attention to their messages right now, as this may become the primary method of communicating with you during periods of isolation.

Video conferencing
Video meetings where the participants can see each other’s expressions and react to one another in real time can replicate the benefits of face-to-face meetings you would have had in an office environment. Zoom has a screen-sharing option and live chat, which can add an extra layer of connection and comprehension to your meetings.
Supporting each other
Positive peer support has the ability to improve our resilience for dealing effectively with stress and anxiety.

So much of the way we communicate is non-verbal, and we are able to get a better feel of how someone is when we can see them during a conversation, even if we need to use technology to do that.

We do more than work
Set up support networks within your region, your department or your usual social groups. Open a video conference for individuals to drop in and out of while they eat their lunch for example or host an occasional virtual ‘coffee break’ for employees to simply chat and laugh – as they normally would in the office environment.

Speak up if you’re struggling
If you’re new to working from home, don’t underestimate the potential impact it can have on even the smallest of things, from the simple act of not having to commute or ‘get dressed’ it can take some time to tune in. You may very well find it challenging in the beginning. It demands a great amount of focus, independence and dedication.

Have regular and frank conversations with your supervisor to let them know how you’re doing from a professional and personal perspective. If you find yourself feeling isolated or overwhelmed, speak to your supervisor or to your HR representative.
Conclusion

It’s very easy when working in isolation to feel like you haven’t got the support of colleagues or leadership. Removing in person interaction makes it harder to notice when people need guidance or are going through something challenging.

In addition to operational workers, managers may also face increased pressure due to additional responsibilities, it is important to not exclude them from these plans. Cross-functional leadership support groups should also be taken into consideration.

The most important thing is to get thinking, take considered action, and be creative to see how you can help to minimise not only the spread of COVID-19, but its social and psychological effects too.

Jennifer Lewis, Director of International People Operations | Avetta
As the Coronavirus Disease 2019 (COVID-19) cases surge worldwide, there is a real danger for organizations to lose more than just revenue and profits. The virus SARS-CoV2 that caused the sudden outbreak, has the potential to affect entire communities due to its extremely contagious nature. Owing to the absence of vaccine and medicines to combat the viral spread, people are left with prevention as the only option. In this scenario, organizations will need adopt a proactive approach to ensure employee safety and health.

Impact of COVID on Businesses
The biggest challenge for organizations is to stop the spread of the virus from one employee to another. As the virus can be transmitted even before symptoms develop in a person, the risk of exposure is high. As a result, organizations are experiencing various setbacks such as the following:

- Transportation delays in material supply and product delivery – OEMs, raw material suppliers, vendors, distributors, and contractors are highly impacted due to lockdowns across geographies. While several organizations have to deal with supply delays, those located in severely affected regions are witnessing cancellations resulting in production closedowns.
- Workers on sick leave – Organizations that depend on human labor are witnessing increased labor shortage due to workers being on sick leave or attending to infected family members. Employees are also reluctant to go to their workplace owing to the fear of being exposed to the virus.
- Changing consumer demands – The consumer pattern has significantly changed with the exponential growth of COVID-19 transmission. While the demand for preventive gear such as ventilators, gloves, and masks has risen, sale of non-essential goods such as automobiles has declined.

To stop COVID-19 from completely overhauling business, organizations will need to follow the guidelines of the Occupational Safety and Health Administration (OSHA). While OSHA's directives are not mandated, it aims to prepare organizations to prevent spread of the infection.

Prepare and Control to Fight COVID-19: OSHA Guidelines
OSHA recommends having a plan in place so organizations can respond to the rapid spread of the pandemic. These recommendations have been introduced supplementary to OSHA’s other standards for different industries.

According to these guidelines, organizations will need to devise a response plan that aligns with the directives of the government and local health agencies. The plan should consider all the sources that could expose workers to the virus. In addition, organizations will need to prepare to handle situations of labor shortage, interrupted supply, and remote working to maintain social distance.

In order to address these concerns, organizations should classify workers according to their exposure risk. This will improve visibility into the varying levels of exposure risks and as a result enhance engineering and administrative controls and establish safe work practices. The categories and controls are as follows:

Workers with high to very high risk of exposure are healthcare professionals and those who are in direct contact with COVID-19 patients. OSHA recommends isolation rooms, maintenance of air-handling systems, and Biosafety Level 3 precautions for this category of professionals. Healthcare facilities are also required to provide gowns, face masks and shields, gloves, and other PPE. The workers must follow decontamination practices such as safely disposing off disposable masks and gloves and sanitizing their hands. Healthcare facilities are responsible for monitoring the workers’ health and psychological behaviors to support them in these stressful times.

Workers with medium risk of exposure are those who need to frequently travel or be within six feet of those who may be infected. For such workers, organizations should inform them about the disease symptoms and provide PPE depending on their work task. Workers showing symptoms of infection should be immediately isolated and provided with respirators.

Workers with lower risk of exposure constitute professionals who can work from home. OSHA recommends organizations maintain a collaborative environment for such workers to be able to communicate with colleagues and deliver work online.

Along with these recommendations, OSHA has established programs and consultation services to help organizations manage the safety and health of their employees. The programs offered provide organizations with compliance assistance, safety training, and on-site confidential consulting to high-hazard worksites.
The Specter of the Recent Outbreak

At the beginning of 2020, a viral outbreak of SARS-CoV-2, originally labeled 2019-nCoV, quickly drew attention due to its rapid infection rate. Since that time more information has come out about the deadly pathogen, including its similarities to SARS (Severe Acute Respiratory Syndrome) and the outbreak that hit in 2003.

SARS-CoV-2 a betacoronavirus like MERS (Middle East Respiratory Syndrome) and SARS (Severe Acute Respiratory Syndrome), causes the disease COVID-19. It was first reported on December 30th in the Chinese city of Wuhan, capital of Hubei province. By the 30th of January, when the World Health Organization (WHO) declared the outbreak a “public health emergency of international concern” (PHEIC), the virus had already spread across provincial as well as international borders causing more than 14,000 cases of infection and 300 deaths.¹

Less than two weeks later, on February 11th, 2020, Tedros Adhanom Ghebreyesus, director-general of the World Health Organization, announced that the death toll has risen to 1,017 with 42,708 diagnosed cases in China alone. Other nations weren’t immune; the disease quickly spread across the globe. One short month later the WHO declared COVID-19 a pandemic after seeing it sweep through 114 countries and kill more than 4,000.

With estimates putting the possibility of a vaccine out for another year, the total impact is still unknown.²
The rapid outbreak of COVID-19 has led health authorities across the globe to cordon off various affected cities, quarantining a substantial section of the populace. With widespread travel restrictions, quarantines, city-wide lockdowns, and more several sectors are facing a critical shortage of human resources. And as a human-labor intensive sector, the supply chain is expected to sustain considerable damage due to the global outbreak.

This is especially significant in China considering their position in the global market.

The People’s Republic of China (PRC) is one of the world’s leading economies and a global manufacturing powerhouse, contributing to 13.45% of global export figures.
The macroeconomic impact of SARS-CoV outbreak was estimated at USD 100 billion.

SARS-CoV, like SARS-CoV-2 or COVID-19, was thought to be a zoonotic virus (of animal origin) that spread from an unknown animal reservoir. The outbreak was originally reported in the Chinese province of Guangdong in 2002. At first glance, it would be safe to assume that the 2003 SARS-CoV outbreak created an immediate economic depression across sectors like travel, tourism, and retail sales. In fact, the financial losses related to these industries in Asian countries alone were estimated at USD 18 billion. But they were by no means the only sectors affected.
At the time of the SARS-CoV outbreak, China held the reputation of the fastest-growing market of electronics manufacturing. And at the center of China’s manufacturing prowess was Dongguan in the Guangdong province. An outbreak so close to the heart of an economically important city massively impacted the Chinese socio-economic position. As a result of this, Dongguan saw the number of orders from port city Hong Kong reduced by one-third.

Other manufacturing hubs, especially for electronics, also faced backlash from the outbreak. Multiple facilities in Guangzhou and Shenzhen were either locked down and quarantined or experienced a shortage in orders.

### Spreading across provincial and international borders

The SARS-CoV outbreak quickly crossed into other Chinese provinces and even crossed international borders, affecting eastern, southeastern, and southern regions of Asia. Other major Asian manufacturing centers like Taiwan, Hong Kong, and Singapore reported shutting down most of their production units as well.

The outbreak, however, was not limited to countries in China’s vicinity. Among the various majorly affected regions, the SARS-CoV proved especially deadly for Europe and Canada. In fact, among the 800 deaths in at least 17 countries, 44 deaths occurred in Toronto alone.
An Impending Sense of Déjà vu – Coronavirus in the Supply Chain

The phantom of the SARS-CoV outbreak is threatening to disrupt the global economy once again in the form of COVID-19. But the new strain of the coronavirus might have an even bigger impact than the SARS-CoV outbreak. It took the SARS outbreak more than six months to infect 5,000 people in mainland China. COVID-19 reached that number in less than a month and octupled (8x) it in less than two.¹

But it’s not just the rate at which COVID-19 is spreading that is concerning for the global economy. A comparison of China’s position as an economic hub between 2003 and the present paints an even grimmer picture. In 2003, when the SARS-CoV broke out, China’s GDP was USD 1.6 trillion. In 2018, China’s GDP stood at USD 13.6 trillion. China’s export volumes have grown as well from USD 438 billion in 2003 to USD 2.5 trillion in 2018.
During this period of 17 years, China has grown as a manufacturer and assumed the position as the largest supplier of goods worldwide. Since the early 1980s, many businesses in the US and European region have viewed the PRC as a market where products can be created at a reduced cost and with increased efficiency. With the public health crisis and lockdowns across the globe, companies around the world that rely on China’s manufacturing prowess are faced with the need to find alternative ways to meet supply chain demands, such as rerouting their supply chain. Many of these alternatives have been drastic in nature.

For instance, the apparent immediate impact of the COVID-19 outbreak on big-tech giant Apple was primarily assumed to be just on their retail sales. However, the company has had to reroute their supply chain as a result of the temporary closure of their China facilities. On February 17, 2020, Apple reported that they will miss March-quarter guidance as a result of the coronavirus disruptions.

Toyota, Ford, and Ikea are among the other major businesses that are either idling their production units or reducing operations. In fact, Fiat Chrysler advised they are now looking into shutting down a European manufacturing plant because supply from Chinese suppliers has all but diminished in the wake of the outbreak.
These stories are not unique. Millions of companies have already felt the strain that comes from mandatory closures and consumer panic. The outbreak is specifically wreaking havoc on manufacturing supply chain visibility. In addition, the coronavirus outbreak also threatens to impact the global pharmaceutical supply chain. Wuhan is home to many drug manufacturers. Though not the largest pharmaceutical manufacturing hub, Wuhan has become a prosperous center for biopharmaceutical research and development. A city-wide lockdown will hamper the global supply of life-saving drugs, ironically during a global disease outbreak.

Another critical concern businesses must consider is the validity and accessibility of information concerning current conditions. With the rapid spread of the disease has also come a rapid spread of disinformation. Fluctuating infection numbers coming from multiple outlets can have businesses questioning the real level of risk. In addition, some outlets doubt whether government officials in affected areas are accurately portraying the disease and the level of care being offered.

All of this clouds visibility for supply chain professionals trying to mitigate the effects of the disaster. The limited knowledge and strong parallels between the COVID-19 and the SARS-CoV outbreak of 2003 have led several businesses to base their precautions on historical evidence and experience. As a result, they will continue to carry out the necessary steps in order to contain the current outbreak and prevent disruption in their supply chain.

It can be safely summarized that factors like China’s status as a global manufacturing powerhouse, its position in the global economy, and the rapid spread of the coronavirus have all contributed to a serious setback to the global supply chain. With the world still in the midst of this fallout, the exact damages to global supply chains are yet to be gauged in figures.
Hope Amidst the Gloom

While the COVID-19 outbreak has prompted numerous companies to suspend operations in the country, China’s skilled worker base, extensive highway and rail systems, and vast consumer ecosystem make it a tough-to-quit market. Wuhan, the epicenter of the COVID-19 outbreak, is home to more than 300 of the world’s top 500 companies, including Microsoft, Siemens, and PSA.

Amid this turmoil, however, some major logistics companies have decided to mobilize their delivery networks in order to provide aid to affected regions. For instance, FedEx has shipped more than 200,000 surgical masks and personal protective equipment (PPE) to its Asia Pacific Hub in Guangzhou, China. This initiative has helped accelerate the response work of the humanitarian aid organization Direct Relief.

Measures such as these combined with the collective effort from Chinese authorities, the WHO committee, the Ministry of Health Ontario, IMO and many other international and domestic organizations have provided affected people and businesses with the hope of containment and treatment. At the same time, it has also helped organizations to devise plans to mitigate damages that have already been sustained to both the public and the economy.

Protect yourself and others from getting sick

Wash your hands

- After coughing or sneezing
- When caring for the sick
- Before, during and after you prepare food
- Before eating
- After toilet use
- When hands are visibly dirty
- After handling animals or animal waste
Protect others from getting sick

Avoid close contact when you are experiencing cough and fever

Avoid spitting in public

If you have fever, cough and difficulty breathing seek medical care early and share previous travel history with your health care provider

Fig. 5: World Health Organization’s (WHO) advice on preventing COVID-19 infection

Despite efforts to contain the contagion, a widespread outbreak still hit the world. The following precautions can help prevent additional potential threats:

Take everyday precautions to prevent the spread of germs

Be cautious around people with travel history to infected areas

Take necessary infection control steps when helping a COVID-19 patient

Seek medical help if you exhibit any symptoms related to COVID-19 infection
Sustaining Businesses During the Fallout

Regardless of whether businesses have operations in affected regions, there are going to be repercussions of the COVID-19 felt across industries. Restrictions on travel and absenteeism within vendors and suppliers could cause massive supply chain disruptions worldwide. That said, companies with significant portions of operations in China are at a particular risk of upheaval.

Organizations need to take precautionary measures in order to ensure business continuity during the fallout.

One of the most significant things organizations need to focus on is establishing a comprehensive and conducive business continuity plan (BCP) and determining the degree of organizational preparedness to deal with the global COVID-19 outbreak. This includes reviewing company policies on communicable diseases, monitoring internal and external communication measures, identifying alternative vendors and conducting thorough online and off-line training and simulation drills. As part of this exercise, companies need to keep employees updated on the local scenario and announcements especially from government and/or public health officials.

This is not a one time exercise. Instead businesses should continually analyze and update their business continuity plans in order to avoid delays, as in the case of disasters like the Coronavirus outbreak.

Another essential aspect for businesses is to manage insurance policies of both themselves and their suppliers and vendors. All applicable policies must be reviewed. And subsequent preparation for potential claims needs to be prioritized.
When it comes to the COVID-19 global outbreak, there are no specific international standards at this time. There are, however, certain regulatory guidelines that may help prevent occupational exposure to COVID-19. For instance, the United States Occupational Safety and Health Administration (OSHA) and the UK Health and Safety Executive (HSE) provide standards on the usage of respiratory protection and personal protective equipment (PPE). This could prove useful since it is believed that the virus is passed through respiratory droplets. However, please note, it is recommended that only those already infected with the COVID-19 virus and the people caring for them should use masks.

While they do not specifically have provisions for a COVID-19 outbreak, most occupational health and safety regulations have some provision for communicable diseases. Following these standards could help organizations prevent the deadly epidemic from spreading in the workplace.

**Best Practices Concerning Ongoing Operations:**

- Replace face-to-face meetings with video conferences
- Permit staff to work from home
- Place a hold on all unnecessary travel
- Implement a 14-day self-quarantine period for employees that have traveled to infected areas
- Apply the same restrictions among suppliers and temporary workers as you do full-time employees
- In heavily infected areas, conduct temperature scans before allowing entry to work. All workers should wear the necessary PPE

If someone on site is suspected to be infected that staff member should leave the office immediately and visit the doctor. Before returning to work they need a "cleared to work" form by a medical professional. Also, please note if someone is showing symptoms they may be detained while crossing borders.
Combatting COVID-19 | What can suppliers do?

The COVID-19 outbreak is affecting businesses and the global economy. Here’s what you can do to minimize damages to your organization.

- Review relevant force majeure provisions
- Review BCP and conduct crisis management tests
- Observe OHS best practices (regulatory standards)
- Monitor travel logs

What must Suppliers do?

With businesses looking to reroute supply chains from China, suppliers both in and outside the affected regions need to be ready for the shift.

- Always protect the workforce
- Assess risks to and identify vulnerabilities in the value chain
- Ensure redundancy with critical vendors
- Keep business continuity plans and protocols up-to-date
- Review hygiene conditions frequently

Learning from the SARS-CoV outbreak of 2003

SARS-CoV claimed 774 lives from 8,098 confirmed cases of infection. It taught us lessons we can use to minimize the impact of the COVID-19 outbreak on businesses.

When affected, here's what you need to do:

- Risk assessment and preparedness
- Containment of infection and impact
- Measurement of impact
- Creation of buffer time period
- Transitioning back to normalcy

Things you can do to avoid impact:

- Continuous monitoring of affected areas
- Prompt identification of vulnerabilities in supply chain
- Maintaining contingency plans for uninterrupted operations
Understanding force majeure declarations

Considering the COVID-19 outbreak could result in the suspension of operations, businesses that rely on a complex network of suppliers and vendors need to understand the inclusions of a force majeure declaration. Force majeure is a legal doctrine under which a contractor may be relieved from liability for non-performance beyond their control. These provisions vary greatly depending on the way they have been drafted.

While most force majeure declarations do not list disease, outbreaks, and quarantines, they may include general provisions such as “acts of God” or “acts of government.” Situations under which a force majeure declaration is put into effect varies. However, there are a few best practices that companies can follow when they invoke the force majeure provisions of the contract.

- Determine whether the situation falls under the force majeure provision
- Ensure notice requirements under the contract have been met
- Gather as much information on the specific provision as possible
- Consider ramping up an alternate supplier
- Review your suppliers’ and contractors’ supply chain to determine whether they might be impacted by the COVID-19 virus and prepare for any contingencies
For many businesses, the outbreak has significantly slowed operations. In fact, according to a recent independent interview with 20 EHS leaders, more than 40% stated that they have stopped work in the affected area. Further, one respondent noted that with the government introducing a restriction on businesses returning to work after the Lunar New Year, the company’s working timeline becomes murky and uncertain. Another report found that many businesses are contemplating removing their supply chain networks out of China indefinitely.

After conducting interviews with Avetta clients, however, we found one organization well prepared for the crisis.

**Their response is a stalwart model for how an investment in preparatory measures brings a great reward.**

Years prior, following the SARs outbreak, this international leader developed a process to address a wide variety of emergencies. In fact, once a year, they run drills on mock disasters or epidemics. So, when the coronavirus hit, they knew what to do.

Within a short time, they had a local task force established and monitoring the situation. What’s more, with previous emergency response plans already developed, all they had to do was adapt them for this unique situation, speeding up their reaction to the outbreak.

The task force was able to quickly develop and distribute organizational guidelines surrounding travel, employee and industrial hygiene, alternative working solutions and more. Employees and contractors have been kept well informed and they have seen little negative impact from the virus.

"We have to invest in preparedness. *(February 11, 2020)*

– General Tedros Adhanom Ghebreyesus, World Health Organization Director
Another crucial component that led to this organization’s successful implementation was a decision they made a year prior. They shifted their focus to bring not only their contractors under their safety programs but also their subcontractors. Through bridging documents and active monitoring, they are able to ensure their safety values are enforced through each tier of their supply chain.

Taking the appropriate measures to minimize supply chain disruptions should begin with a few considerations:

- Protect your most valuable asset - People
- Assess your value chain to identify current vulnerabilities and risk
- Ensure your Business Continuity Plans & Protocols are up to date
- Develop redundancy assurance with critical vendors and sole source suppliers
Here’s how Avetta helps with this.

Through the Connect Platform, clients are able to electronically track all compliance criteria for their contractors. Additionally, the platform allows clients to segment information by company, skill type, geographical location, sites and more.

In the case of the COVID-19 outbreak, organizations are able to see which contractors are within the affected area and could be a risk. They can then dig deeper into their management programmes including safety and insurance protection. Understanding their management and risk programmes provides greater levels of understanding and visibility around their ability to deal with business interruptions and how they mitigate foreseeable risk. Proactive monitoring before an outbreak hits will help organizations identify areas of vulnerability where back up or alternative sourcing options are needed.

And with worker management monitoring, clients aren’t limited by just vendor data. Instead, they can get clarifying information on the individual workers coming on-site and performing tasks on behalf of the organization.

Since we started working with Avetta, we have a much greater comfort level with our contractors. The Avetta solution is a powerful tool; and, as a leader in our industry, we can use it to make the industry safer.

– Nick Wilkerson, Safety Director, SBA Communications

COVID-19 Induction Training Capability

- Require any contractors coming onsite are trained on proper hygiene (hand washing, gloves, PPE care, etc.)
- Contractors must take a quiz to prove knowledge
- Allow badge access only for those who pass

Connect gives increased control and visibility to hiring clients by allowing them to configure their prequalification process with timely and relevant questions.

This includes specific questions on COVID-19 and employee hygiene training. The added information is crucial during times, such as these, where pandemics are causing global supply chain disruptions.
Conclusion

The COVID-19 outbreak is one of the deadliest epidemics in recent years and, therefore, one of the biggest threats to the global economy. With companies confirming sourcing issues throughout the supply chain, there is a need for businesses to find alternatives to existing supply chain partners. The solution to this issue lies in access to wider supplier networks.

With the help of a contractor and supplier information management services like Avetta, you can gain access to a network of 95,000+ potential suppliers spread across 125 countries. This allows you to reroute your supply chain to a non-affected area and engage with suppliers who are compliant with your safety, sustainability, and quality requirements. The supplier platform helps you ensure there is no gap in skills due to the shift, providing a detailed evaluation profile of individual suppliers which facilitates greater understanding of their capability and capacity.

Before working with Avetta, it could take weeks to find and qualify contractors for projects in new locations. Now, we can identify and approve contractors in less than one week.

– Justin Gillette, Director of Risk Management, Vertical Limits

The COVID-19 outbreak has come as a serious alert for supply chain management across the world to establish alternate sourcing and manufacturing plans in different regions of the world. While natural disasters and events, such as the COVID-19, are unpredictable, organizations need to include contingencies within the scope of their risk management framework. And the time to act is now.
The Return To Work
The Road to Recovery
Making Supply Chains Immune to Disruptions like COVID-19

As lessons emerge in the wake of the pandemic, supply chains look to transform and build long-term resilience.

At present, both the duration and extent of the COVID-19 pandemic, are uncertain. But it is clear that its ramifications will continue to be felt even after the spread of the virus is contained. So, while leaders continue to acclimatize themselves and their teams to this ‘new normal’, they also need to start planning for the future, and start building a roadmap for recovery in a post-COVID world.

Supply chains all over the world have been thrown into disarray. But it has been especially brutal for organizations who lacked a clear understanding of their vulnerabilities. For them, the impact of the crisis may linger much longer. On the other hand, those with far-sighted leadership, robust support systems, and strong risk management capabilities, will find themselves better placed to weather the coronavirus storm. The supply chains of these enterprises will emerge stronger, more agile, leaner, and more responsive.

These qualities become lifeboats, especially as experts in the field postulate that such disruptions could become more common in the future.

So, what can organizations do, right at this moment, to start building more resilient supply chains that can withstand global crises?
Here are a few steps:

- **Shift the Focus from Response Management to Recovery Management**

Now that the initial shock has worn off, and businesses have executed their response plans, they need to plan for what is next: recovery. Given the devastating impact of the pandemic on businesses and economies, there is no doubt that the recovery phase will require more collaboration on a decision-making level.

As the impact of COVID-19 abates and businesses recuperate, business leaders will need to identify the measures that must be implemented in the short, medium, and long-term to help them bounce back.

Companies must first be able to assess the timing and nature of the recovery process. Based on their estimation, they need to then create a recovery plan that is closely synchronized with the operations teams. This plan will need decision-makers to:

- **Determine when to start pulling back from the containment measures to ensure employee safety.**

- **Look for critical indicators of improvements in the business environment, such as an increase in production and demand, reduction in tariffs, faster in-transit movements of products, etc.**

- **Asses what changes are required in workplace safety policies to sustain operations in the post COVID-19 world.**

- **Decide the pace and manner in which to restart broader supply chain operations which were slowed down or shutdown.**

- **Identify technologies that can be leveraged to enable seamless cross-functional collaboration within the company as well as across external supply chain networks with Tier 2 and Tier 3 subcontractors and vendors.**
Building a resilient supply chain begins with a strong supply chain risk management model. Such a model categorizes risks into known and unknown risks, and manages them separately.

To ensure the stability of supply chains in the long term, you need to reevaluate all aspects of it—right from managing risks and supplier relationships, to implementing new technological tools and services. There is no room in a post-COVID world for traditional, inflexible supply chains.

**Build a Supply Chain Risk Assessment Mechanism**

Building a resilient supply chain begins with a strong supply chain risk management model. Such a model categorizes risks into known and unknown risks, and manages them separately.

**Known Risks:** As the name suggests, known risks can be foreseen, identified, and managed with tried and tested risk management methods. Organizations can assemble a specialized, cross-functional risk management team to build an effective risk-management framework. They can index a comprehensive catalog of known risks and frame corresponding management policies. Through this, the scale of the risk as well the solution to manage and mitigate it, becomes clear and accessible. To summarize, known risk management includes:

1. Identifying and documenting all known risks
2. Building a risk-management framework
3. Monitoring risk
4. Instituting governance and scheduled reviews

**Unknown Risks:** Risks that are unforeseeable and difficult to quantify are categorized as unknown risks. The COVID-19 outbreak is an obvious example. Managing unknown risks involve:

1. Creating a culture of constant risk-awareness
2. Establishing a strong defense mechanism that takes multiple disruptive scenarios into consideration
3. Having a contingency plan ready, that can be deployed on a short notice
Reevaluate Supplier Management

In the wake of the pandemic, supplier management, as a function has been suddenly pushed into the limelight. Companies are feeling the pinch of critical component shortages and cash flow restrictions, which have slowed down supply chain movement. So, it is imperative for companies to follow a methodical approach toward supplier management to identify and correct the problem areas.

- The first step is to create a central team to facilitate the open and consistent flow of information between key stakeholders in the supply chain. This team can drive supplier assessment and risk management initiatives, and work toward reconfiguring the supplier network post pandemic.

- The next step is to perform a thorough risk identification and assessment exercise to identify the most critical supply chain vulnerabilities. This can be achieved by analyzing the relationship between supplier risk and supplier cost. By doing so, companies have a list of who their high risk/high impact suppliers are.

- Once the high risk/high impact suppliers are identified, the central team can trace the suppliers that operate in the areas most susceptible to disruption. The contracts with those suppliers will then need to be thoroughly reviewed, and, if required, appropriate provisions can be accommodated after due consideration.

- The next step is conducting a suppliers’ classification assessment and understanding the risk associated with each supplier. This means asking the question: what is the level of disruption to the supplier’s daily operations? Then, the central team needs to measure both short-term and long-term financial impact of the pandemic on the suppliers and assess if that jeopardizes business continuity. It is also important to understand how transparent your suppliers are, using information-sharing parameters, and whether they have fallback action plans. If a substitute needs to be found, the team needs to determine how easy it is to shift to another supplier, and how it will impact timeliness, quality, and overall cost.

- In case of a critical component shortage, tap into your supplier’s pool to contact new suppliers. For low-risk supply chains, it’s generally preferable to proceed with business as usual with minimum corrective measures.

- There may be suppliers who have partnered with your organization for years and have consistently applied industry best practices in their work. These supplier relationships are crucial and can be nurtured in the following way:

1. Communicate daily with them as you both shift to crisis management mode
2. Offer financial aid if possible, to alleviate any challenges
3. Devise a joint action plan on how to expedite delivery

A well thought out supplier management strategy can help make a company’s supply chain network resilient to external shocks like the current pandemic.
Digitizing Supply Chain Operations

Today, supply chains are still largely driven by humans. But as the current crisis has shown us, what happens when humans cannot leave their homes? The key to a resilient future is to smartly invest in technology-based tools and products. Digitization is the only way organizations can be future-ready. And it calls for an iterative approach. Cross-functional, collaborative teams that unify supply chain operations, business, and technology can drive such a transformation.

Avetta, with its global network of 95,000+ potential vendors and suppliers spread across 125 countries, can help you build supply chain resilience. Our holistic supply chain risk management solutions include supplier prequalification and audits, which ensures that your suppliers adhere to robust risk management policies and procedures. So, when the next disruption strikes, whether global or small and localized, your supply chains and your business can grow unimpeded.
Ground Realities

As the COVID-19 pandemic continues to upset short term business goals, the new focus of most companies is on preparing themselves for the post-pandemic world. However, in order to ensure a seamless transition of workers to worksite without further risks of contagion, companies need to:

- **Assess contamination risk**
- **Disinfect** the worksite regularly
- **Screen** Employees, workers and other stakeholders visiting the worksite
- **Continue physical distancing**
- **Ensure stringent use of PPE**

Assessing Risks and Taking Appropriate Measures

Meticulous risk assessment and safety preparedness will help enterprises mitigate worker concerns and future contingencies. While resuming work:

- Convey the safety measures undertaken by your company in ensuring safety for all
- Provide workers with publicly available sources of support and advice
- Establish service desks for employees who may require help for physical and psychological stress
- Reduce employee touchpoints and practice workplace hygiene
- Update workplace health and safety policies, standard operating procedures (SOPs) as per the new regulations mandated by global authorities
- Resume work in stages and inform employees about changes
- Rethink workplace setup while stressing on social distancing

For more information on how to prepare your workplace post COVID pandemic, visit www.avetta.com today!
Guidelines for Businesses Operating in COVID Impacted Zones

With each passing day, COVID-19 is spreading like a wildfire across newer epicenters around the globe. As a result, the majority of businesses are facing an uphill task of mobilizing their business continuity plans. The impact COVID-19 has created across the globe is unprecedented. It is predicted that the pandemic will cost a staggering USD 2.7 trillion to the global economy in output, which is equivalent to the entire GDP of the UK.

Given the unpredictability of the disease and absence of an established COVID response plan, most businesses have little to no preparation for managing and mitigating the commercial risks posed by the pandemic. What’s reassuring, however, is that there are best practices to emulate from others operating in impacted regions.

The following are some of the guidelines and best practices that suppliers/contractors need to follow to ensure they respond to the unfolding events effectively:

Create Crisis Management Teams
As a first step, organizations should create strategic teams tasked with crisis management in specific geographies where the supplier/contractors are located.

These crisis management teams should convene regularly to develop contingent business response plans, provide information to leaders, create COVID-19 awareness among operators and on-site workers, and offer useful information on mitigation, management and workplace hygiene.

They should develop contingent business continuity plans for all executives and workforce in the event of a lockdown.

They must restrict employee access to company facilities, except for those who are engaged in critical operations.

Chart out an Effective Business Continuity Plan

- As a preventive measure, organizations should focus on continuing critical operations only.
- They need to institute mandatory work-from-home or remote work policies as and where applicable.
- Organizations need to make provisions for tools that can allow employees to work from remote locations seamlessly.
- In the event of a lockdown, organizations can shift critical operations to regions that are unaffected.
Operators need to ensure that team members are cross-trained to execute critical business functions in case of sudden absence or quarantine of a team member.

Operators need to also document critical functions, procedures, and policies pertaining to insurance requirements and workflows for operational contractors.

**Manage Overall Employee Health & Well Being**
During the outbreak, it’s critical for an organization to assess the risks it might have on employee well-being.

The risk mitigation efforts may include:

- Making revisions to work-from-home policies, worker compensation plans and other policies pertaining to employee benefits.
- Granting paid time-off to symptomatic employees and employees who must look after family members diagnosed with COVID-19.
- Increasing paid time-off or sick leave for employees.
- Restricting employees from taking public commute.
- Devising flexible shifts for employees to help them avoid busy commutes.
- Making employees aware about the need for social distancing.

**Take Proactive Measures**
In order to sustain business operations, it is important for organizations to:

- Regularly monitor supply chains and identify potential threat vectors that may affect normal operations.
- Conduct regular supply chain risk assessment and operational impact assessment.
- Onboard alternate suppliers from unaffected regions if required.
- Provide buffer for project delays resulting from issues in transportation and worker shortage.
- Ensure that suppliers are thoroughly prequalified and vetted before they are on-boarded.
With China resuming business operations across key regions and the US pushing to reopen much of its economy, returning to regular work schedules seem imminent for employees around the world. It is a welcome move for the majority of organizations now that they have weathered the disruptions caused by social distancing, remote working, and travel restrictions. However, a poor transition roadmap of shifting to normal work schedules can have dangerous implications and risk a resurgence of the outbreak in workplaces.

A research report published in April, 2020 reveals that “return-to-work” preparations are mostly in their early stages with only 10% of executives stating that they have done proper planning. The following are the top five steps that organizations need to take in order to ensure a successful transition back to work:

Finding Order in Chaos
Getting Back to Work Safely Post Pandemic
Plan a Phased Reintroduction to Worksites

A large number of workers returning to a shared worksite pose a significant risk of the virus spreading in the workplace. The higher the number of workers the higher the risk of contagion. Remember that managing the number of workers entering a worksite will be critical in ensuring overall workplace health in a post-COVID world. You need to, therefore, plan a phased reintroduction of your workforce to the worksite.

Establish a clear-cut process where a group of workers operate from the site every few days. Alternatively, you can create multiple shifts or flexible work timings across functional lines in order to ensure enough coverage across roles while promoting employee distancing. It’s better to resist opening the doors to all the workers on the same day – the risk after all, won’t be worth the effort.

Revisit the Workplace Setup

Granting worksite access to employees doesn’t mean removing all the restrictions imposed during the COVID-19 outbreak. You will still need to closely follow all the government regulations pertaining to employee gatherings, social distancing and workplace hygiene best practices. And, it’s likely that the pre-COVID working environment will be unsuited for these new restrictions.

Start taking proactive measures to reconfigure workspaces before the workers return. For instance, the requirement for six-feet of distance between employees may compel you to rethink individual sitting patterns within offices or public areas like cafeteria. In order to maximize capacity and space planning, you can change conference rooms, learning labs and break out spaces into seating areas. According to Forrester², organizations need to adhere to the following guidelines to properly manage and reconfigure workplaces post-COVID:

01. Increase the physical distance between personal workspaces or workstations
02. Limit the number of people in each in-person meeting
03. Mandate temperature checks and travel histories for visitors prior to entry in the worksite
04. Maintain a rigorous cleaning schedule for facilities
Follow Hierarchy of Controls

By following the Hierarchy of Controls, organizations can most effectively avoid the risk of contagion. As depicted in the below inverted pyramid, the more effective controls are on the top of the pyramid while the least effective are on the bottom.

Remote working wherever applicable, is the best way to stay clear of COVID-19. Conduct virtual meetings, virtual site visits, and train your employees through the use of web conferencing applications or video calls.

The first step in enforcing engineering controls will be to disinfect your worksite, including shared equipment, spaces and electronics. Use barriers, partitions, and ropes to separate employees. In addition, use biosafety cabinets, hands-free trash receptacles, and copper tapes for handles and push buttons.

Use floor markings and signage to communicate social distancing, cough and sneeze etiquette, proper hand hygiene and control. Monitoring employee health is a critical step toward ensuring timely action in case there is a reoccurrence of Coronavirus. Announce the mandatory use of community personal protective equipment (PPE) like face covering, gloves, and masks.
Foster Regular Communication

The COVID-19 pandemic has compelled organizations to increase communications with their employees. Many have communicated more with their workers in the last two months than they have traditionally done under normal working conditions. When resuming day-to-day operations ensure that this communication channel is not interrupted.

Remember that the progress that has been achieved on the business front during the times of crisis should continue seamlessly once the operations resume. Maintaining a regular frequency of communication with your employees will reassure them about the future of the business and how their roles may evolve in the post-COVID world.

You can even leverage two-way communication channels such as employee surveys to capture workplace sentiment around how employees are feeling after returning to work. Communication should not be limited within the peripheries of the worksite, but rather extend throughout your supplier network.

Prioritize Workplace Hygiene

One of the most critical aspects that you need to prioritize in a post-COVID world is workplace hygiene. If you do not have in-house workplace hygiene experts, consider hiring. They can identify hazards and implement and monitor procedures to help protect the safety and health of all the employees in the worksite.

The following are some of the ways through which you can ensure that your workplace hygiene standards are up to the mark:

- Ask contractors to work on new health and safety protocols and practices
- Provide site orientation and training to new employees
- Evaluate overall hygiene standards of your facility at regular intervals
- Develop stringent site protocols
- Provide daily “toolbox talks” or create “safety moments” for awareness
- Draft thorough PPE program procedures
Training and Upskilling Workers

Once your employees start returning to worksites, ensure that they are thoroughly trained on PPE usage and newly drafted health and safety controls. Make them aware of any new changes made to the existing policies and procedures. That way you will be able to minimize risks of contagion within the workplace and promote a safe working environment for all.

Rounding Up

Every cloud has a silver lining and the COVID-19 is not an exception. During the pandemic, many have forged stronger collaborations within and across teams while reinforcing positive health practices across the organization. This is the perfect opportunity for progressive businesses to ponder upon the lesson learned and transform the approach towards work in the future.

As a leader in the supply chain risk management space, Avetta helps world’s leading organizations proactively manage health and safety, creating safer work environments with lower incident rates. Our supplier prequalification, audit, and worker management solutions can ensure that your suppliers, contractors, and vendors are motivated to achieve your health and safety goals once they return to work.
An Inevitable Future
As part of your ongoing endeavour of maintaining integrity of your supply chain operations amid the COVID crisis, here are five key considerations for your contractor management strategy:

1. **Monitoring connected devices**

   It is critical to review SLAs of contractors accessing your company's critical and confidential information.

2. **Revisit health, safety and environment policies**

   Closely focus on your contractor HSE obligations as global authorities are introducing new HSE regulations, site operating procedures (SOPs) and compliance requirements in line with the COVID-19 outbreak.

3. **Bolster your workforce management strategies**

   Given the latest travel restrictions, contractors may want to employ more local manpower. Ensure that you are monitoring your extending enterprise more closely to avoid disruptions.

4. **Review contractor web application security**

   Remote workplaces create a data risk arising from digital information sharing. Thoroughly assess security of contractor information sharing applications like:

   - Email
   - Chat
   - Video conferencing

5. **Review Service Level Agreements (SLAs):**

   It is critical to review SLAs of contractors accessing your company's critical and confidential information. Lay your focus on:

   - Monitoring connected devices
   - Remote employee work policy
   - Application security
   - Network monitoring
   - Authentication systems
Post COVID-19 Safety & Compliance Lessons for Businesses

Black swan events like the COVID-19 pandemic can be the ultimate stress test for any business. It can also serve as an ideal launchpad to build the foundations of resiliency. While taking the leap can be challenging, in the end it boils down to thinking futuristically and taking the right decisions during the crisis.

For instance, businesses that opted to set up new tiers of suppliers and contractors, have opened themselves to new opportunities they could use after the pandemic as the business environment recuperates. The lessons learned will stay with them, allowing them to sustain operations during other future disasters.

Lessons about safety and compliance can also be instrumental in ensuring business continuity and profitability. Here are five lessons on safety and compliance for organizations that will become a new normal post-COVID.

1. **Worker Health Management**
   With social distancing and sanitization norms in place, it will not be as straightforward for workers to resume work in their worksites as the fear of contagion will still be prevalent for months and potentially years. A key learning for employers is to adopt stringent safety rules and keep stock of sanitization products onsite to prevent any illness.

   Working from home will also become regular for office-based workers as many organizations have already established remote working infrastructure to ensure that workers remain productive. It will be apt for employers post-crisis to ensure that all the workers undergo health check-ups regularly.

2. **Crisis Management Training**
   While safety and compliance training programs are usually a part of worker management, the post-pandemic world has also raised the importance of training workers and their contractors on crisis management. Along with safety and compliance qualification, employers need to check contractor preparedness for their response to natural disasters and epidemics.

   Training will become a vital component for employers in ensuring smooth and safe operations going forward. Imparting the training instruction effectively using cloud-based training platforms like eWebOQ’ can be the key to ensuring effective worker management that raises the overall bar for operational efficiency.

3. **Supply Chain Mapping**
While resuming operations, companies have to ensure that they have complete visibility of their supply chains. They need to start identifying key suppliers on the basis of both criticality and spend.

Further they should implement correct KPIs and governance measures to track their activities on a real-time basis. It is also important for them to map complex supply chain networks beyond tier 1 as their performance can also directly impact the hiring organization.

4. Cybersecurity Compliance
With automation on the rise, most businesses in a post COVID world will use software-defined networks and advanced data analytics platforms to enhance supply chain decision-making. While leveraging technology is a great move, the flipside of it is that it comes with the risk of cyberattacks and data thefts.

For this reason, employers will need stronger cybersecurity management systems than ever before. Prequalified system integrators and solution providers hold the key to ensuring cybersecurity compliance and protection from vulnerabilities.

5. The Force Majeure Clause
As the outbreak led many organizations to temporarily close down operations, it directly affected contractors and subcontractors. Those with a carefully drafted Force Majeure clause in their contract were able to successfully prevent legal issues.

The pandemic has taught all companies to ensure that their contracts include the force majeure declaration to excuse the parties from performing their obligations during extraordinary events like an outbreak, acts of God, or the government.

Nobody can predict when the COVID-19 pandemic will end, but organizations’ constant efforts to stay prepared will help ensure worker safety when businesses resume normal operations from workplaces. These lessons will not only help them embrace the new normal but also sustain their business in the long term.
On Demand Webinar:

Evolving Priorities in the Supply Chain After the Pandemic
A View from the Chief Procurement Office

Speakers:

Jason Busch
Founder
Spend Matters

Indy Chakrabarti
Chief Strategy & Marketing Officer
Avetta

avetta.com/webinar-evolving-priorities
WHAT HAPPENS AFTER COVID-19?
An Evolving Landscape and an Inevitable Future for Supply Chains

Gearing Up for the Post-COVID Future

At some point soon, the worst of the COVID impact will have passed. And so, organizations need to work now to preserve the integrity of their supply chains, protect their workforce and prepare to ramp up operations in the post-COVID world. Clearly, organizations have an arduous task in front of them to recover from the pandemic.

Decision-makers at the helm of their organizations need to take appropriate measures to prevent the next unforeseen wave of disruption from having a similar impact.

The urgency to take drastic measures is more immediate for procurement leaders, as globally supply chains have been worst hit by the pandemic. For now, the initial short-term efforts of procurement leaders have mostly revolved around managing upstream disruptions among Tier 1 contractors. Going forward, however, they’ll have to focus on long-term resilience of the supply chain and transparency of supplier networks.
The Supply Chain Response – Short-Term Measures

With lockdown restrictions easing across the globe, returning to a regular work schedule is imminent for workers. As companies initiate operations and workers return to the worksite, organizations will have to resort to several immediate response measures to ensure that there aren’t any further health risks posed by the pandemic.

According to research, “return-to-work” preparations are mostly in their early stages with only 10% of executives stating that they have done proper planning.¹

Some of the basic near-term measures include:

- Scanning body temperature at worksite entrance
- Developing contingency to respond suspected infections
- Reorganizing the workplace to minimize common touchpoints
- Implementing effective disinfectant processes
- Training employees on workplace hygiene practices

Supply chain pioneers, procurement leaders, and contractors need to consider the following response measures along with the ones mentioned above in order to ensure a smooth transition to the normal way of work:
1. Plan a Phased Reintroduction to Worksites

A large number of workers returning to a shared worksite pose a significant risk of the virus spreading in the workplace. The higher the number of workers the higher the risk of contagion. Remember that managing the number of workers entering a worksite will be critical in ensuring overall workplace health in a post-COVID world. You need to, therefore, plan a phased reintroduction of your workforce to the worksite.

Establish a clear-cut process where a group of workers operate from the site every few days. Alternatively, you can create multiple shifts or flexible work timings across functional lines in order to ensure enough coverage across roles while promoting employee distancing. It’s better to resist opening the doors to all the workers on the same day – the risk after all, won’t be worth the effort.

2. Revisit the Workplace Setup

Granting worksite access to employees doesn’t essentially mean removing all the restrictions imposed during the COVID-19 outbreak. You will still need to closely follow all the government regulations pertaining to employee gatherings, social distancing and workplace hygiene best practices. And, it’s likely that the pre-COVID working environment will be unsuitable for these new restrictions to be implemented.

Start taking proactive measures to reconfigure workspaces before the workers return. For instance, the requirement for six feet distance between employees may compel you to rethink individual sitting patterns within offices or public areas like cafeteria. In order to maximize capacity and space planning, you can change conference rooms, learning labs and break out spaces into seating areas. According to Forrester, organizations need to adhere to the following guidelines to properly manage and reconfigure workplaces post-COVID:

- Increase the physical distance between personal workspaces or workstations
- Limit the number of people in each in-person meeting
- Remove common touch points (i.e. Leave doors open where possible, keep light switches on all day)
- Mandate temperature checks and travel histories for visitors prior to entry in the worksite
- Maintain a rigorous cleaning schedule for facilities
Most of the regions affected by the COVID-19 pandemic are at the heart of several global supply chains. Sudden supply shortages from these regions or over-dependence on a single supplier for inventory in these regions may lead to operational delays. Shifting inventory and production lines elsewhere or opting for local sourcing alternatives can help lower your risk exposure. Additionally, you can also start sourcing pre-approved inventory or raw-material substitutions from regions where a primary supplier has been impacted but a Tier 2 supplier is still operational.

If you have multiple sourcing options, activating secondary supplier relationships to secure additional inventory or capacity may be beneficial. On the other hand, if you have significant exposure to suppliers operating across the heavily impacted regions, then you need to identify alternative suppliers other areas of the world. Alternate sourcing markets are expected to vary greatly by manufacturing and supply chain expertise post pandemic. Several countries are likely to evolve as procurement hotspots as companies diversify their supplier portfolios beyond China.

While resuming operations, you need to ensure you have complete visibility of your network of contractors and subcontractors beyond the first layer. If you have a complex contractor network and don’t have tools that provide extended visibility of your supply chain, then conventional approaches to getting visibility beyond Tier 1 suppliers will likely be insufficient in mitigating supply-side risk completely.

Proper technology can help you quantify the pandemic’s relative impact on contractors’ supply chains. Leverage advanced cloud-based workforce management platforms to collaborate with workers working on remote far-off locations. Keep communication as consistent and frequent as possible to remediate pitfalls.
A Long-term Outlook: Preparing for Post-COVID-19 World

Short-term measures will provide businesses and supply chains with the much-needed foundation for proactive resilience. However, enterprises are steadily coming to terms with the fact that the COVID-19 pandemic has clearly and irreversibly transformed the future of supply chains. In order to ensure long-term pandemic-proofing of global supply chains, organizations need to take several measures. These are:

**Stay Prepared for a Rebound:**

Ensure your suppliers, along with their subcontractors, have robust business continuity plans (BCP) in place in order to avoid future disruptions, from pandemics or otherwise. What will differentiate organizations that thrive post of the pandemic from the ones who don’t is whether they are prepared for the rebound. If you are able to move faster than your competitors in a post COVID world, you will have a better chance to capture a larger share of the pent-up demand and solidify your relationships with the best of suppliers and customers out there.

**Map All Contractors beyond Tier 1:**

There’s no denying, COVID-19 has established the need for greater visibility across all tiers of the supply chain, since the pandemic has caused systemic disruption across the world. It is thus, extremely critical for you to have complete visibility of your supply chain components and inter-dependencies. You need to also have access to technology, data, and analytics to identify and mitigate potential operational and compliance loopholes, plan and manage short-term contingencies and to create resilient supply chains in the long term.

**Actions to be taken:**

1. **Form a task force and harness data analytics to generate actionable insights**
   
   To assess the long-term challenges posed by the pandemic to your supplier network and quantify their impact on your business.

2. **Assess risk across all tiers of your supply chain**
   
   To comprehend the resilience of your extended supply chain and identify proactive actions that can be taken in order to mitigate the risks.

3. **Conduct rigorous scenario planning**
   
   To identify the long term financial and operational implications that the pandemic will have on your business.
How can Avetta help?

With Avetta’s global supply chain intelligence and world-class data-analytics solutions, you can rapidly map suppliers/contractors, while analyzing both individual contractor and wider vendor risks. Avetta’s analytics and contractor management solutions can help you better understand interdependencies between suppliers and identify the ones who may be facing issues across high-risk geographies.

Avetta monitors critical risk indicators and KPIs to help ensure that you get to work with contractors who maintain the right health and safety, sustainability, and quality standards. With Avetta’s worker management system, you can constantly monitor risk profiles of every individual contractor and take timely decisions.

In this fast-changing market environment, Avetta can help you monitor international exposure trends, changing regulations, new restrictions and reliefs for your contractor network.

Thoroughly Screen and Prequalify your Contractors and Subcontractors

In order to safeguard your contractor network from any potential disruptions, you will have to screen and prequalify suppliers not only by high-risk geographies but also by sector and risk exposure. Through prequalification and audits, you can collate critical supplier documentation, create a list of high-risk contractors, scrutinize their financials and compliance standards to understand risks under downturns and gauge your exposure to the risk.
While both the short-term and long-term measures can set the foundation for building resilience into supply chain networks in a post COVID world, there are several challenges that businesses will need to overcome in this “new normal”. Going forward as operations resume, a huge influx of contractor and subcontractor data will require constant monitoring and management.

As a function, contractor/supplier management has been traditionally reliant on paper-based processes. The pandemic has made it clear that operations that are over-reliant on physical assets like paper can face severe disruptions in a situation where physical operations are not possible. Additionally, procurement decision-makers that rely on paper-based contractor documentation can lose visibility on contractor performance and compliance in crisis situations that a global pandemic unfolds.

Given the circumstances, digitization is no more an option but a necessity for smooth functioning of supply chains. In order to limit the impact of a disruption to your supply chain, ensure that you are making data available to all key stakeholders through advanced cloud-based contractor database management systems. Going forward, businesses with strong digital infrastructure will be better placed to deal with supply chain disruptions than those without.

Avetta with its expansive portfolio of advanced technology-driven contractor management, worker management, prequalification, and audit solutions can be your ideal partner in your quest for supply chain resiliency and digital maturity. Avetta’s cloud-based supplier prequalification, audit and contractor management solutions helps you move away from manual, paper-driven processes and streamline your contractor selection and management process.

These solutions allow you to save time and money by letting you collate critical supplier documentation in one single-source database system, verify on an up-to-date basis and make actionable decisions based on insights. Additionally, with Avetta’s supplier auditing solution you can execute in-depth scrutiny of your contractor and subcontractors business continuity plan, workplace safety, sustainability and quality standards to select the best partner.
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Finding Order in the Chaos


What Happens After COVID-19?

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FAQ: Constructing a Business Continuity Plan for COVID-19 and Future Disruptions

Strategies for Closing the Gap on Unpredictable Supply Chain Disruptions

A business continuity plan is a worst-case scenario action plan. Preparing for the worst, before it happens, is a smart strategy a business of any size should implement. Many companies were caught off guard when the Coronavirus pandemic came to the U.S. and are finding themselves responding to the crisis while still trying to construct a plan to respond to the crisis. If you and your team are in the situation of implementing a plan while simultaneously building it, the work will be exponentially greater, as will the pressure to identify the right solutions.

However, it’s important to note that crisis situations can also be incredibly eye opening. Your team might find ways to adapt and change that could result in a “new normal,” or employees could bring creative solutions that streamline old processes and identify new resources. While constructing and implementing a plan for continuity, it’s important to stay awake to new possibilities that could result in better business decisions.

What is a business continuity plan, and what is included in creating one?

Each organization’s unique needs and situation will be addressed differently through a business continuity plan. The purpose and core elements, however, are the same for every organization.

A business continuity plan is designed to help leadership and employees achieve resiliency and stability during a crisis. The plan is focused on assessing risks and creating policies that can be deployed during and after unforeseen events.

The International Organization for Standardization (ISO) recently revised ISO 22301 for Business Continuity Management System. ISO 22301 outlines how organizations can assess potential risks that could cause a disruption (e.g., a pandemic like COVID-19) to operations and your supply chain, analyze recovery actions to prevent long-term damage, and identify resources that will assist in the restoration of operations.

Reviewing ISO 22301 is a good place to start. While doing so, create a list of questions for you and your team to address. These questions could include:

- What is the potential impact to our business, and what types of analysis do we need to conduct to determine impact?
- Which people, equipment, data, raw materials, third parties, etc. do we need and how quickly do we need them to ensure we minimize the impact of the disruption?
- What are the critical business functions and processes needed for recovery, and how do we identify and document them?
- What is our plan for incoming and outgoing communication? Who will be responsible for setting the context, as well as creating the content?
- What types of task forces do we need (such as business continuity and disaster recovery) and who will implement the processes we create?
Creating a task force is a smart place to start. Especially if you are building a continuity plan from scratch in the midst of a supply chain disruption.

Building and implementing the plan simultaneously requires you to move faster and stay focused, while also making sure to keep an eye on the big picture. For instance, reviewing and deploying policies on communicable diseases should be a top priority alongside creating a multi-tiered strategy for mitigating damage to the value chain during the heat of the crisis.

A pandemic response plan is one of many emergency response strategies in a business continuity plan. These could include emergency response procedures for any potential disaster that is a known scenario and will result in a supply chain disruption, such as:

- Data breaches
- Natural disasters (such as earthquakes, floods, and tornadoes)
- Terrorist attacks (against your company and others in your network)
- Violence in the workplace
- Hazards (chemical, biological, etc.)

Common among all plans are two main priorities: response and resiliency. The goal of the response priority is minimizing or cleaning up the damage that occurs. A plan for resiliency is focusing on your company’s ability to quickly resume operations and mitigate long-term impact.

Particularly unique to a pandemic health crisis is also a plan for addressing remote working capabilities, a plan of action for protecting workers if one employee becomes ill on-site, a quarantine policy, and avenues for business and funding support if operations must cease during the crisis. Beyond responding to the immediate health and safety needs that arise in a pandemic, it’s important to know that different disasters create different experiences. An emergency that is a one-time event calls for a linear response: identify the damage, deploy the tactics and people to address it, and move into recovery mode. But, what about an ongoing event that has multiple moving parts, few answers, and a giant shoulder shrug from authorities about when it will end? We are all know what this is, it’s a pandemic.

In theory, creating redundancies in the supply chain can shorten the gaps created by a disaster. Keeping extra inventory, maintaining low capacity utilization, having more suppliers than you need, and other tactics designed to replicate the value chain could save your company during a pandemic. Or, it could elevate your costs beyond what’s reasonable and create inefficiencies your team will spend time undoing.

A better approach is to focus on being flexible and nimble. This requires design ingenuity that allows for things like interchangeable parts and production and cross-trained employees. Redeployment and reallocation, especially if you run multiple facilities, is a long-burn strategy that will ensure resiliency is a part of your company’s thinking, culture, and action plans.

These strategies, and many more, are designed to create a Teflon-style protection against uncontrollable disasters and are critical for responding to a pandemic. Yet, as natural disasters continue to increase, a flexible and nimble approach to protecting your company is just smart business.

How is an emergency response plan different than one for a pandemic, or should they be combined?
The complexity and interdependency of supply chains makes it vulnerable to a multiplicity of disruptions, even outside of a crisis. As in non-crisis times, a detailed map of your supply chain will be critical in determining vulnerabilities. Key areas to address when comparing the supply chain map to particular pitfalls include the following four areas: risk identification, risk assessment, risk evaluation, and risk mitigation.

Identifying the vulnerabilities, and then developing distinct policies to reduce the effects of disturbances on the supply chain is a critical element of a business continuity plan. Another crucial component for protecting the supply chain is to extend safety programs to, not only contractors but also subcontractors. Through protocols and active monitoring, you can ensure safety values are enforced through each tier of the supply chain.

One of the main lessons from the Coronavirus is that businesses need to find alternative ways to meet operational demands, such as rerouting the supply chain to a new vendor. Continuous monitoring of affected areas across the globe should be assigned to one or more employees with regular reporting of the situation. In addition, it’s beneficial to develop protocols that identify vulnerabilities in the supply chain and provide a contingency plan for maintaining uninterrupted operations.

Finding alternative solutions to major hubs such as China means making sure you’ve got key suppliers in place in various parts of the world, that you have purchasing and procurement processes that allow you to find alternative or strategic suppliers as needed, that you can serve your customer base through local or regional distribution hubs, and that you have relationships with third-party logistics providers to pick up the slack as needed to ensure your products are delivered on time.

How quickly and effectively your company can resume operations following a partial or full shut down will rely directly on the preparedness of your team and the response that was implemented during the outbreak. The most successful companies to weather storms of crisis have developed plans for a wide variety of situations that can then be adapted during a disaster. With a plan in place and a task force ready to get to work, emergency plans can be tailored to unique situations which then accelerates the response. Losing time planning for a response during the crisis can result in long-term damage.

Begin with simple but critical questions like:

- Where is your revenue coming from right now? Which teams can focus on short-term revenue generating operations, and which groups can focus on the future?
- What critical operations do you need to continue -- even if your organization isn’t providing all the services they usually do. What bills do you have to pay?
- Who are the people in your operations, and how can their roles shift in the short-term to support the ramp up?
- What equipment needs and access to capital do you have to consider?

If your company is behind the curve in developing and implementing a business continuity plan, it’s time to revisit the crisis task force and redeploy them into one or more groups, each with a specific focus and deadlines.
About Avetta
Avetta delivers a SaaS-based platform that mitigates the unseen risks of outsourcing, fostering sustainable growth throughout the supply chain. Through a proven vetting and evaluation process, Avetta is able to create dependable connections between clients, vendors and contractors. With real results in reducing incidents, our highly configurable solutions elevate safety and sustainability in workplaces around the world.

Business Continuity Guide
This step-by-step guide will walk you through the different factors to consider as you develop a business continuity plan.

Free Templates
Whether you’re starting from scratch or looking to strengthen your existing plan, these business continuity planning templates will give you and your suppliers a detailed outline, available for download.

Insights from Experts
Learn from global experts as they discuss the importance of business continuity planning and the lessons learned from implementing them in the midst of COVID-19.

Returning to Work Post-COVID
What does life look like after the COVID-19 crisis is over? How can employers return to work safely and efficiently? Visit avetta.com/covid to get all of the insights.
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The World is Adapting to the Pandemic, Is Your Supply Chain? Contact Us for a Demo

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