

Former Homeland Security Advisor Lisa Monaco on How Companies Can Manage the Coronavirus Crisis

As governments around the world work to contain the spread of COVID-19, the threat of business interruption has become real, throwing supply chains into disarray, dislocating workforces, and upending the global economy. O'Melveny partner Lisa Monaco, a member of former Vice President Biden's newly formed Public Health Advisory Committee, draws on her experience as former Homeland Security and Counterterrorism Advisor to President Obama to help clients prepare for and avoid the negative impacts of such sudden and potentially long-term disruptions. Among her responsibilities as Homeland Security Advisor, Monaco helped coordinate the Obama administration's response to the 2014 Ebola crisis. Here, she shares her thoughts on lessons learned from that experience and how clients can approach decision-making in this challenging time.

Q: What are important leadership qualities in managing a crisis?

Clear, visible communication is an absolute must. Your employees, stakeholders, business partners, and others must know that you are taking the issue seriously and are devoting your time and energy to guide the organization through the crisis. It is important to acknowledge that you may not have all the information you want, and establishing a clear, consistent tempo of communications internally and externally should be a top priority.

The tone starts from the top, but good leaders also know when to defer to experts, and to demonstrate that they are doing so. So for instance, in the current situation, does your organization have a chief medical official? Is your leadership basing judgments on expert guidance?

Transparency breeds trust. If you can communicate transparently that your judgments are based on expert input and established standards, that will go a long way toward gaining the trust of the organization and ensuring that everyone in your organization is responding with the appropriate level of urgency.

Q. What should the C-suite be prioritizing as they navigate such an uncertain time?

If they haven't already, companies should establish a task force to manage the crisis made up of key business and support personnel within their organization. This group should be responsible for gathering relevant information, monitoring government and industry developments, communicating to the workforce and stakeholders, and making critical leadership and operational decisions. The group should establish a battle rhythm for regular updates to leadership, business partners, and stakeholders, and be prepared to make adjustments to work policies (e.g., size of meetings, work travel, etc.) as the crisis unfolds. The group should be empowered and ready to make critical decisions about business operations in a short period of time, with less than full information.

Regular, clear, and thoughtful communication from leadership is absolutely critical for maintaining trust with employees and the health of the organization. To the extent possible, companies should consider having a single person be the face of the organization for disaster response, and create a safe environment for employees to share their concerns and information. That may include establishing a hotline, offering counseling, or providing another mechanism to share confidential concerns. There are restrictions on the information employers can require from employees—and employers should consult with counsel on these issues—but a trusted relationship can ensure that a company is receiving information it needs to make critical decisions.

Q: Limiting disruptions to operations is something you must have thought a lot about as Homeland Security Advisor. What are some of the key considerations in developing an effective business continuity plan?

In my former role, in addition to being Homeland Security Advisor, I was responsible for Continuity of Government planning—so, yes, I've thought a lot about it.

First things first, you need to have a plan. And while it can be agnostic as to the particular scenario, it has to identify key roles and responsibilities in the organization. As we used to say, "when the balloon goes up" everyone needs to know where they have to go and what their role is. The organization should assign essential roles and responsibilities to officials and make sure those people know who they are.

The plan also needs to be the product of a self-examination that goes beyond just the surface-level considerations. For example, you need to account for vendors such as electricity and utility providers, facilities support staff, transportation services, etc. Companies need to identify those functions that are absolutely essential for continued operations, and map them against risks. One thing we found in government is this often results in identifying necessary functions across departments. So rather than needing the entire IT department to be available, it may be more important to have personnel from across several groups (law, policy, IT) with related expertise on an issue.

The plan needs to address continuity of communications and making sure you have redundancy in those communications. For instance, it's great to have a list of key contacts, assignments, and phone numbers on a computer somewhere, but if you can't access it for whatever reason, it won't do you much good.

Another important element is establishing thresholds for deciding when you are going to activate your emergency response plan. Has the senior leadership discussed it? Have you communicated those thresholds to stakeholders and employees? And then you need to exercise the plan and understand how it will perform under stress. Any good plan will need to be adjusted; better to find that out when you're not in the middle of a crisis.

Q: When the government acts to address a crisis like a pandemic, what are some of the actions it can take?

The federal government has significant authority when it comes to border control and travel screening; it can also limit travel and quarantine individuals within the United States. The President can declare a state of emergency, as he did on March 13, which allows the federal government to provide funds to support state response efforts, and in the instance of a pandemic, the federal government can provide direct federal assistance in the form of shelter, security, emergency medical care, and other assistance. One of the most important things the federal government can do is provide clear and consistent information from experts.

As a practical matter, state and local public health authorities are responsible for immediate emergency measures and steps such as canceling gatherings and implementing quarantines. The federal government has significant power in this area, but typically serves to support state and local public health officials in the immediate response. As we are experiencing now with COVID-19, the response will be locally executed, state driven, and federally supported. That means health care workers are acting like first responders in other crises—they are on the frontlines. State authorities such as governors or public health commissioners are managing policy (quarantine or not, school closure or not), and the federal government is supporting those efforts (test kits, definitive science about the nature of the virus, etc.). This dynamic can evolve and change in the context of a pandemic where more robust measures may be required to address the threat.

Q: Of those actions, which are potentially going to have the most impact on the private sector?

Restrictions on public gatherings, travel, and school closures will have a ripple effect across society, from retail, entertainment, and the services sector to colleges and universities. Of course, in a public health crisis, the health care sector, public transportation, and other public services will be disproportionately affected. And where the impact is widespread, as it is with COVID-19, organizations need to be mindful that normal back-up measures may not be available. For example,

child care services are likely to be unavailable, placing a strain both on employees and other business services as people are unable to show up to work, or even telework.

Q: As public health obligations and travel restrictions force companies to implement telework, what are key issues they should be considering?

It is important to have a plan, but to also be flexible. Crises require that you constantly reassess your plan based on new data and guidance. Dogmatic commitment to an out-of-date plan can be dangerous.

Companies should test their ability to operate remotely, as the increase in remote networking could place unanticipated stress on your IT infrastructure. With more telework, companies need to make clear that employees should use encrypted Wi-Fi, protect their passwords, avoid using personal email for business, and otherwise protect any business information that may be stored at home. Your IT staff will need to have a plan to address all the run-of-the-mill IT issues that are likely to arise because of the different networks and devices being used.

Leadership should also anticipate a decrease in productivity as employees adjust to new routines and working conditions. Employees are suddenly going to have different challenges to navigate, including increased child care obligations, reduced access to common goods and services, and, above all, increased anxiety levels. They are going to have a diversity of novel questions for which a standard office HR policy may no longer be sufficient. It will be important to coordinate with senior HR officials and counsel to make sure that non-discrimination and other HR policies are uniformly and fairly enforced.

Q: It can be very challenging for a company to know when to implement alternative or emergency measures—what are key factors a company should consider before doing so?

First, any organization has to identify its most important priorities. For most organizations, the health and safety of its workforce will be the first consideration. In addition to being a legal requirement, health and safety assurance plays a critical role in workplace trust. As companies are compelled to adapt their operations, they will need buy-in from employees to maintain business continuity.

Companies should also develop written policies that articulate the factors or conditions they will consider before implementing alternative or emergency measures. Key factors include what others in the industry are doing, as well as guidance from relevant government agencies and state and local health organizations. Ensuring you are in line with these standards and clearly communicating them to stakeholders will reduce the likelihood of any claims alleging negligence arising from employees or others contracting an illness.

Organizations should be regularly consulting CDC guidance (available [here](#)); they should also review any travel restrictions issued by the [State Department](#) and other [authorities](#). This guidance can

evolve rapidly, so it is important to regularly monitor government announcements, as well as stay abreast of any breaking developments reported on the news. Companies should also establish a point of contact with the local public health authority so that they can reach out with any questions and ensure that they have the latest information.

Q: Once a company has implemented emergency measures, what should it consider in deciding whether to return to normal operations?

As difficult as it can be to make the decision to shift to emergency operations, phasing out or ramping down emergency measures is one of the most difficult decisions in managing any crisis situation. Deciding when the situation has sufficiently subsided to return to steady-state operations involves a different assessment of risk.

Just as with an escalation plan, it is important to have a de-escalation plan with established thresholds that are tied to industry and government guidance. Transparency with stakeholders about the rationale for these decisions can aid confidence in an organization's ability to weather a volatile period. In the wake of a major incident or disaster, it may not be sufficient to return to the pre-event risk posture. There may be heightened levels of safety concerns that warrant a phased approach to resuming normal operations.

Q: We hear a lot these days about resilience, in particular when it comes to managing responses to significant natural disasters. Can you explain what resilience means?

Resilience quite literally means the ability to “snap back”; to not be undone by an event or crisis. It means planning for a crisis, thinking through the key pain points ahead of time, and communicating what the organization is doing before, during, and after the crisis. It means sustaining operations even if they have to be adjusted or pared back to mitigate risk. And it means having a framework for making decisions about when to bring your organization back online.

One of the most important features of resilience is visible leadership in the organization and clear, consistent, credible communication. One of the big takeaways from my experience in helping to lead the US government response to Ebola is that you cannot communicate facts too often or too clearly. It has to be done repeatedly, and it has to come from a credible leader in the organization. The tone starts from the top—making clear that the organization and its leaders are making decisions based on facts and input from key stakeholders and that those decisions are driven by the organization's values. Visible and effective leadership is an absolute must in a crisis.

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