



Pandemic Planning Basics Regarding the Coronavirus (COVID-19)

Pandemics, as well as the most recent medical threat, COVID-19, have the potential to quickly shut down an entire region or country depending on the severity and rate of transmission. While your financial institution undoubtedly has disaster recovery plans and business continuity plans in place, pandemic plans differ from these plans in that they must deal with a broader impact, both in scale and in duration. A pandemic has the potential to last months, and it would affect consumers, the general community, and employees—up to 40% of whom may be absent at the peak of a serious pandemic, according to some estimates.

Plan Considerations

Like all disaster recovery plans, every financial institution is unique, and you will want to make sure that you tailor your plan to the specific needs of your financial institution.

Planning for pandemic risks should be incorporated into an institution's existing Business Impact Analysis (BIA) and/or Business Continuity Plan (BCP).

As recommended by the U.S. Department of Homeland Security, the pandemic planning process for businesses should include:

- Identifying a workplace coordinator
- Examining existing policies for leave, telework, and compensation
- Determining responsibility for plan implementation
- Identifying essential employees, business functions, and inputs
- Communicating and setting expectations with employees
- Preparing business continuity plans
- Establishing emergency communications plans

The pandemic plan must consider the impact on the entire organization, not just its systems and technology. The pandemic plan should include the following principal components:

- Preventive program
- Documented strategy
- Continuity plan
- Testing program
- Oversight program



Management Involvement

The Board of Directors must have authority over the plan and approve it, while senior management is responsible for devoting sufficient resources to developing the plan, translating it into specific policies and procedures, communicating the plan throughout the organization, and ensuring that the plan is regularly tested and updated.

Implementing a Pandemic Plan

One of the first issues that you need to consider when implementing a pandemic plan are triggering events. Determine the planned actions that would occur in the case of a triggering event, and communicate these plans to employees, critical suppliers, and service providers.

Communication with outside parties is critical to providing support before, during, and after a pandemic event. Along with an institution's customers, these parties include critical correspondents, media representatives, governmental agencies (including local public health and emergency management teams), authorities that can take official actions (such as closing buildings), and regulators.

More specifically to financial institutions, consideration should be given to staff controls in the event that large numbers of employees cannot be physically present for long periods, such as:

- Modifications to normal worksite and absenteeism policies that can be enacted during a pandemic, including flexible work hours and telecommuting
- Ways to work remotely, including teleconferencing, video conferencing, and instant messaging
- Conducting operations from alternative sites
- Social distancing and encouraging employees to avoid crowded places and public transportation



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The pandemic program should include the following forms of testing. Test results (including recommendations and updates) should be reported to management. These tests should include:

- Stress testing of electronic channels such as online banking, ATMs, telephone banking, and call centers to determine if adequate capacities exist to meet increased demand
- Telecommuting simulations (“coordinated work at home days”) for essential employees to verify that remote access capabilities are sufficient and will function as expected
- Testing of internal and external communications processes, including employee call-tree testing
- Testing the effectiveness of critical operations when there is an escalated employee absence rate
- Participation in community, regional, and industry-wide exercises

Finally, once the pandemic program has been tested, it should be reviewed annually, preferably in the late summer, before flu season approaches.

The following Pandemic Checklist will help you work through these processes.



Plan for the Impact of a Pandemic on Your Business:

- Identify a pandemic coordinator and/or team with defined roles and responsibilities for preparedness and response planning. The planning process should include input from labor representatives.
- Identify essential employees and other critical inputs (e.g., raw materials, suppliers, sub-contractor services/products, and logistics) required to maintain business operations by location and function during a pandemic.
- Train and prepare ancillary workforce (e.g., contractors, employees in other job titles/descriptions, retirees).
- Develop and plan for scenarios likely to result in an increase or decrease in demand for your products and/or services during a pandemic (e.g., effect of restriction on mass gatherings, need for hygiene supplies).
- Determine potential impact of a pandemic on company business financials using multiple possible scenarios that affect different product lines and/or production sites.
- Determine potential impact of a pandemic on business-related domestic and international travel (e.g., quarantines, border closures).
- Find up-to-date, reliable pandemic information from community public health agencies, emergency management officials, and other sources, and make sustainable links.
- Establish an emergency communications plan and revise periodically. This plan includes identification of key contacts (with backups), chain of communications (including suppliers and customers), and processes for tracking and communicating business and employee status.
- Implement an exercise/drill to test your plan, and revise periodically.



Plan for the Impact of a Pandemic on Your Employees and Customers

- During a pandemic, forecast and allow for employee absences due to factors such as personal illness, family member illness, community containment measures and quarantines, school and/or business closures, and public transportation closures.
- Implement guidelines to modify the frequency and type of face-to-face contact (e.g., hand-shaking, seating in meetings, office layout, shared workstations) among employees and between employees and customers (refer to CDC recommendations).
- Evaluate employee access to and availability of healthcare services during a pandemic, and improve services as needed.
- Evaluate employee access to and availability of mental health and social services during a pandemic, including corporate, community, and faith-based resources, and improve services as needed.
- Identify employees and key customers with special needs, and incorporate the requirements of such persons into your preparedness plan.



Establish Policies to be Implemented During a Pandemic:

- Establish policies for employee compensation and sick-leave absences unique to a pandemic (e.g., non-punitive, liberal leave), including policies on when a previously ill person is no longer infectious and can return to work after illness.
- Establish policies for flexible worksite (e.g., telecommuting) and flexible work hours (e.g., staggered shifts).
- Establish policies for preventing pandemic spread at the worksite (e.g., promoting respiratory hygiene/cough etiquette, and prompt exclusion of people with symptoms).
- Establish policies for employees who have been exposed to the pandemic, are suspected to be ill, or become ill at the worksite (e.g., infection control response, immediate mandatory sick leave).
- Establish policies for restricting travel to affected geographic areas (consider both domestic and international sites), evacuating employees working in or near an affected area when an outbreak begins, and guidance for employees returning from affected areas (refer to CDC travel recommendations).
- Set up authorities, triggers, and procedures for activating and terminating the company's response plan, altering business operations (e.g., shutting down operations in affected areas), and transferring business knowledge to key employees.



Devote Resources to Protect Your Employees and Customers During a Pandemic:

- Provide sufficient and accessible infection-control supplies (e.g., hand-hygiene products, tissues, and receptacles for their disposal) in all business locations.
- Enhance communications and information technology infrastructures as needed to support employee telecommuting and remote customer access.
- Ensure availability of medical consultation and advice for emergency response.



Communicate with and Educate Your Employees:

- Develop and disseminate programs and materials covering pandemic fundamentals (e.g., signs and symptoms of pandemic, modes of transmission), personal and family protection and response strategies (e.g., hand hygiene, coughing/sneezing etiquette, contingency plans).
- Anticipate employee fear and anxiety, rumors, and misinformation, and plan communications accordingly.
- Ensure that communications are culturally and linguistically appropriate.
- Disseminate information to employees about your pandemic preparedness and response plan.
- Provide information for the at-home care of ill employees and family members.
- Develop platforms (e.g., hotlines, dedicated websites) for communicating pandemic status and actions to employees, vendors, suppliers, and customers inside and outside the worksite in a consistent and timely way, including redundancies in the emergency contact system.
- Identify community sources for timely and accurate pandemic information (domestic and international) and resources for obtaining countermeasures (e.g., vaccines and antivirals).



Coordinate with External Organizations to Help Your Community:

- Collaborate with insurers, health plans, and major local healthcare facilities to share your pandemic plans and understand their capabilities and plans.
- Collaborate with federal, state, and local public health agencies and/or emergency responders to participate in their planning processes, share your pandemic plans, and understand their capabilities and plans.
- Communicate with local and/or state public health agencies and/or emergency responders about the assets and/or services your business could contribute to the community.
- Share best practices with other businesses in your communities, chambers of commerce, and associations to improve community response efforts.



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Additional Resources:

[CDC Coronavirus Information](#)

[Federal Reserve Coronavirus Information](#)

[FFIEC Pandemic Guidance](#)