Guidehouse

Program Management in a Crisis

How Government Agencies Can Navigate the COVID-19 Pandemic

Executive Summary

Guidehouse has extensive experience helping our state and local government clients navigate financial difficulties, failed projects, and hurricanes and storm-related crises by providing services for program management, recovery planning and strategy, resilience assessment, and execution of recovery operations. In addition to the serious implications for people's health and the healthcare services, the coronavirus (COVID-19) is having a significant impact on state and local government operations. At the time of writing, the U.S. has more cases and deaths than any other country in the world. To understand the impact the crisis has already had on the economy, the World Health Organization declared COVID-19 a pandemic on March 11, 2020. At the time, U.S. unemployment claims were close to a half-century low, and 38 COVID deaths had been reported. Since then, the U.S. economy has been rocked, with some estimates predicting 47 million unemployment claims and 200,000 deaths. It is imperative that leaders, including state and local governments, take action to protect people and minimize the economic damage.

A crisis can have multiple consequences, finances, customer confidence, stakeholder morale can all be impacted and take years to normalize. A mismanaged crisis can lead to employee attrition, failed projects, negative media coverage, and harm to citizens counting on government services. Both internal and external stakeholders are subject to extreme pressure to deliver promised services. The pandemic presents numerous challenges for government agencies associated with managing complex programs during a crisis:

Crisis Challenge	Description
Physical Separation	Remote work creates potential challenges associated with communications and access to important resources
Time	Time is not a luxury amidst potential health, legal, financial, and social implications
Financial Burden	The need to accomplish more with available resources escalates for state and local governments whose budgets are tight to begin with
Physical and Emotional Challenges	People are physically and emotionally drained by the challenges of navigating a crisis
Stakeholder Availability	Stakeholder availability is impacted by health reasons and competing at-home priorities, like schools closing, and the need for childcare and home help
Different Views and Interests	Divergent views caused by cultural and personal differences make crisis management a challenge

> Helping stakeholders involves managing the ongoing crisis at its very core.

The varied experiences of our Guidehouse industry leaders, who have navigated multiple financial, health, and industry crises, indicate that there is no single solution to all crisis situations. This article brings together the common challenges faced in crisis situations and lessons learned from successfully managing past crises. The article provides a useful guide of key considerations to navigate the ongoing COVID-19 pandemic. The research looks holistically at crisis management and addresses key people, processes, and technology considerations, all of which need to work together to ensure that COVID-19's impacts are minimized. The recommendations address the common challenges, improve crisis management efficiency, and increase the likelihood of a quick post-crisis recovery.

Crisis Management – Key Considerations Framework

While the safety and well-being of workers affected by COVID-19 is the first priority, state and local governments also need to ensure business continuity, manage stakeholders, and minimize adverse impacts to consumers of government services. The COVID-19 crisis raises several important questions: How can businesses assess the impact of COVID-19? What data is most critical to possess? Where are the gaps that need to be filled? If the pandemic continues, what will be the health risks to employees? What are the financial risks to state and local governments?

Guidehouse is helping state and local agencies develop their contingency plans. Some are adapting existing plans to handle this outbreak, while others are starting fresh. Managing a pandemic requires a creative and holistic approach to minimize impacts and ensure quick recovery after the crisis. We recommend state and local agencies focus their recovery plans on seven business areas:

- **Finance** - where forecasts are updated and impact is assessed
- **Communications** - emphasizing calmness and planning for incident responses
- **Business Continuity** - to inform opportunities associated with ongoing and future projects
- **Governance** - incorporating a crisis response team with cross-functional representation
- **Human Resource Management** - to manage change and workforce performance
- **Public Relations** - to monitor external stakeholder sentiment and
- **Litigation** - to review contract requirements, an area which is often overlooked in a crisis

Effective crisis management requires dealing with all aspects of a crisis in a synchronized fashion than might affect internal and external stakeholders.

COVID-19 Crisis Management

1 Finance
- Plan for financial implication with multiple scenarios
- Analyze budget spending and financial forecast
- Prioritize spending to include mandatory functions

2 Communications
- Emphasize calmness through frequent touch points
- Select the appropriate communication channel
- Remove communication barriers

3 Business Continuity
- Emphasize data-driven contingency planning
- Ensure supply chain operations
- Back-up mission critical resources

4 Governance
- Stand-up a crisis management team
- Prioritize ongoing projects
- Enhance cybersecurity and data access policy

5 Human Resource Management
- Prioritize health and safety
- Ensure employees remain connected
- Solicit feedback

6 Public Relations
- Leverage social media to monitor sentiment
- Monitor economic and industry trends

7 Litigation
- Evaluate possibility of lawsuits
- Comply with contractual obligations

Building on Knowledge Gained from Previous Crisis Management

Crises are costly for organizations and societies from both a socio-political and economic perspective. It is vital that we learn from past major accidents and disasters. The section below is based on interviews with industry leaders and online research.

Financial – Considerations

- Plan for multiple scenarios that encompass the range of estimated outcomes. Update the financial models frequently to reflect the actual costs so corrective action can be taken, if needed.
- Ensure access to emergency funding made available through federal and state legislation.

Communications – Considerations

- Communicate frequently and effectively to help people feel reassured, motivated, and informed. People in a crisis can feel disconnected and at risk. Open communication on organizational planning helps immensely.
- Ensure technology for communication, such as a Sharepoint site for document-sharing, is available during a crisis.

Business Continuity – Considerations

- Contingency planning to ensure backup options for business-critical resources is paramount.
- Conduct mandatory procurements to ensure the continuity of supply-chain operations.
- For software implementation projects:
  - Revisit release planning considering available resources and constraints.
  - Prioritize production support over system enhancements to reduce impact to ongoing operations.
  - Prioritize quality control — low-impact quality issues can be magnified during a crisis.

Governance – Considerations

- Communicate clear policies and guidelines for cyber security and data access. Be flexible with organizational policies while being compliant with the law.
- Establish a governance structure with clear roles and responsibilities. While creating a crisis management team, ensure the team is cross-cultural and cross-functional, and also consider business chemistry when staffing appropriate roles.
- Conduct scenario planning to realign projects with organizational goals. Rationalize ongoing projects to ensure that business-critical work is carried out.

Human Resource Management – Considerations

- Ensure that long-term employee health, well-being and performance are prioritized over any short-termneeds
- Ensure that people remain engaged and socially connected through team-building events and frequent video-conferencing touchpoints when collocation is not possible
- Gather feedback from the team toidentify and mitigate project risksthrough in-person discussions, groupmeetings, and social media analysis

Public Relations – Considerations

- Ensure that external stakeholders remain engaged through frequent information-sharing.
- Engage the public relations team (depending on the state and local agency) to reassure citizens and engage in positive discussions about available services and platforms.

Litigation – Considerations

- Ensure compliance with existing contracts, assess the potential for lawsuits, and explore the option to make mutually agreed-upon updates to contractual terms, including the extension of business-critical contracts.

How Can Guidehouse Help?

As we all confront the COVID-19 pandemic, organizations are under extreme pressure to keep their constituents safe and informed, while managing myriad complex internal decisions with limited or remote staff. Below is a brief overview of services we provide to help state and local government agencies navigate COVID-19. Most importantly, we offer strong program management skills that can help augment government teams with the management and tracking of an array of complex and interconnected tasks that need to be executed quickly. There will be a succession of changes that agencies will need to address in the coming weeks. We have the experience, and the expertise, to help government agencies navigate ongoing challenges associated with COVID-19.

Getting Money Out and Mobilizing Response Teams

Federal Management Grants

Our team has extensive experience managing, auditing, and reviewing grant applications, fund reimbursements, and distributions for private and public sector organizations that receive funds in the wake of disasters and crises.

Procurement Support

We can help manage contracting and procurement activities compliant with federal regulations in order to procure services, supplies, and partners critical to supporting response and recovery efforts.

Understanding & Communicating to Constituents

Social Analysis and Social Listening

We can help you assess how the public is processing and responding to the news via social listening and sentiment analysis. We can also help identify and compact sources of misinformation or myths being spread that could endanger public health.

Public Relations and Crisis Communication

Our team can work with you to help identify and engage with trusted media sources, and develop accurate and relevant messages in a way that keeps the public informed and calm.

Understanding What You Need & Where You Need It

Data Analytics

We understand that the gathering of case data is incredibly critical to track and control the virus, and we can help provide analytic support to health professionals and epidemiologists to identify trends and predict future changes.

Supply Chain Management

We have extensive experience working with health industries and hospitals to track and manage their supply chains, and can help monitor critical supplies and predict future supply needs in real-time.

Figuring Out How to Adjust to the New Normal

Workforce Management

As many non-essential workers shift to teleworking, we can help you develop new technology and security solutions, as well as human capital processes, to manage remote workers and steady remote work.

Economic and Financial Impact Assessment

Our team members have worked with organizations to develop economic strategies and impact analyses, and can help you understand the downstream economic impact of this crisis and plan for the future.

Conclusion

The ongoing COVID-19 catastrophe has increased bipartisanship, government spending and unemployment to levels never seen before in the span of just a few weeks. Several state and local governments are now dependent on federal support to avoid bankruptcy at an unprecedented scale in recent history. Effective planning and crisis response is now a mandate that cannot be ignored. Program management and crisis response are the top priorities for state and local government leaders. This article focuses on concepts, tools, and techniques designed to help teams, including executive leadership, cope with the various challenges in the current COVID-19 environment. This paper also presents invaluable lessons learned from the successful navigation of historical economic and environmental crises. The research team recognizes that this paper is by no means an exhaustive approach to program management in a crisis. However, we want our readers to take away key impact areas to consider during a crisis. Program teams must ensure that people, process and technology needs of complex programs are managed efficiently, particularly during the ongoing COVID-19 pandemic. Having an overarching culture of crisis preparedness and implementing associated processes mentioned in this paper can enhance a government agency's ability to protect, preserve value, and maintain or enhance consumer confidence. Identifying effective crisis leaders and empowering them with the recommendations previously discussed can help state and local agencies successfully manage their responses to the COVID-19 crisis and manage any future crises with maximum effectiveness.
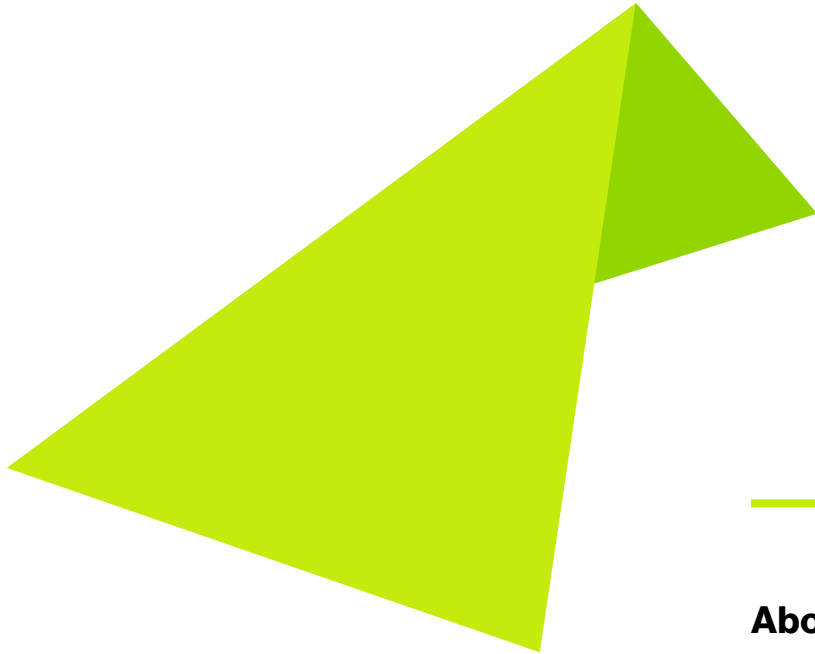
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About Guidehouse

Guidehouse is a leading global provider of consulting services to the public and commercial markets with broad capabilities in management, technology, and risk consulting. We help clients address their toughest challenges with a focus on markets and clients facing transformational change, technology-driven innovation and significant regulatory pressure. Across a range of advisory, consulting, outsourcing, and technology/analytics services, we help clients create scalable, innovative solutions that prepare them for future growth and success. Headquartered in Washington DC, the company has more than 7,000 professionals in more than 50 locations. Guidehouse is a Veritas Capital portfolio company, led by seasoned professionals with proven and diverse expertise in traditional and emerging technologies, markets and agenda-setting issues driving national and global economies. For more information, please visit: **www.guidehouse.com**.