

## INVESTIGATIONS, COMPLIANCE AND STRATEGIC RESPONSE

# Navigating COVID-19: Top Crisis Management Issues

The global emergence of COVID-19 is putting an unprecedented strain on companies and organizations. Incidents of disruption and crisis across every industry and business are happening faster and cutting deeper than ever before. All of these challenges threaten to compromise an organization's legal, financial and reputational standing—and necessitate real-time engagement. At Manatt, we know that the right strategy is simultaneously immediate and grounded in deep industry knowledge and legal experience.

## Key Issues to Consider

### Enhancing the Crisis Management Plan

**The Issue:** The “new normal” for organizations struggling with the appropriate response to the coronavirus will incorporate a wide range of legal and regulatory issues. The most effective plans will map needed actions to the attendant risks, put in place a strategy to mitigate each one, and then execute the resulting multipart program via engagement with the full breadth of external and internal stakeholders.

**How Manatt Can Help:** Our professionals work with organizations to identify and assess their threat universe and to establish and implement an effective crisis management plan. We also can provide facilitated after-action sessions to identify potential gaps and seams in executing crisis management plans and work with our clients' stakeholders to develop and operationalize enhancements to the strategy.

### Preparing a Strategic Response

**The Issue:** Organizations must have an effective governance program in place to avert and mitigate risks presented by COVID-19 and to prepare for, respond to and recover from the financial, structural and possibly reputational fallout of this pandemic. How an organization responds to and manages disruption may have an impact as great as or greater than that of the original challenge on the organization's reputation and bottom line.

**How Manatt Can Help:** We assist clients by coordinating comprehensive communications strategies to engage with policymakers, courts, regulators, government agencies, the press, and external and internal stakeholders, and by providing public policy, legal and compliance assistance to assess and limit regulatory enforcement and litigation risk.

### Addressing Regulatory and Compliance Shortfalls

**The Issue:** The complexity of the regulatory environment in the United States and abroad compels organizations to ensure they establish comprehensive compliance programs that affirmatively and systematically address potential compliance risks. The increased risk of significant enforcement activities threatens organizations with serious consequences in the event of regulatory and compliance failures.

**How Manatt Can Help:** Manatt has a keen understanding of the challenges organizations face when implementing and enhancing effective compliance programs that address not only what an organization may do, but also what it should do. Our team regularly assists clients in designing compliance solutions that allow their business to be innovative and entrepreneurial and in compliance with the law.

## Governance and Board Advisory Assistance

**The Issue:** Boards and their committees must ensure that the right structure and protocols are in place to provide the appropriate insight into the risks associated with COVID-19 in order to exercise reasonable oversight and prevent, detect and resolve potential regulatory, compliance or legal concerns.

**How Manatt Can Help:** Manatt works with boards to strategically respond to and recover from a consequential incident or crisis and engage with internal and external stakeholders. Our priority is to help clients build and maintain best-in-class corporate governance, limit their exposure, and protect their financial and reputational interests.


## We're Here to Help:



**Jack Quinn**  
Co-Leader  
[jquinn@manatt.com](mailto:jquinn@manatt.com)  
202.585.6638

## Additional Resources:

Reach out to us for a checklist on the dos and don'ts of strategic response and crisis management.



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### Best Practices for Strategic Response and Crisis Management

Organizations competing in the dynamic global economy undoubtedly encounter incidents of disruptive and unexpected strategic risk or crises, which threaten to compromise their legal, financial or reputational standing—and necessitate real-time engagement. No matter the origin of the threat, corporate boards and leadership must have a robust and effective plan established to avert and mitigate risks and prepare for, respond to and recover from a consequential incident. How an organization responds to and manages an incident may have as great—or greater—an impact on the organization's reputation and bottom line as the original challenge.

Best Practices	
✓	Conduct a candid assessment to identify the universe of risks the organization may experience.
✓	Proactively establish internal controls, plans and programs to mitigate or control risks: <ul style="list-style-type: none"><li>■ Institute formal risk management action plans.</li><li>■ Establish and operationalize a corporate ethics and compliance program to address conformance with laws, rules and regulations based on the organization's operating conditions, legal environs and industry history.</li></ul>
✓	Develop crisis management and crisis communication plans to manage and respond to a myriad of crises and potential industry-ending threats.
✓	Conduct stakeholder analysis and mapping to identify individuals/groups that can affect or be affected by the organization's actions, objectives and policies.
✓	Empower people to make decisions. Designate a small group of key personnel to function as the organization's Incident Management Team, which will provide the oversight and speed necessary to manage and respond in a crisis.
✓	Lead through the crisis. Leadership is people-centric. Adopt a "Mission First, People Always" approach. Crisis impacts people in many different ways; make sure to take the time to focus on the safety, welfare and health of your people and key stakeholders.
✓	Pressure test the crisis plan and protocols through crisis response drills or tabletop exercises that simulate the pace, multiplicity of issues and potential land mines.
✓	Communicate, communicate, communicate. Be upfront and transparent in letting people know about key information, corporate actions and decisions.
✓	Proactively engage with federal, state, and local policymakers and regulators to help them understand the nature of the threats and opportunities and to advocate for potential government-supplied assistance and key regulatory relief.
✓	Conduct real-time and post-event evaluation and review. Incorporate lessons learned and address any demonstrated gaps in the crisis plan to drive continuous improvement of the process, planning and materials.