

Today's Webcast Presentation

**Private Companies Webinar Series:
Restarting America |
Practical Guide for Employers**

Presented by

KPMG

May 28, 2020

will begin shortly ...

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Restarting America | Practical Guide for Employers

An adaptable, risk-based approach to reopening businesses during COVID-19

Agenda

I. Introductions

II. Framework for restarting your organization

III. Focus on Risk Executives

IV. Focus on Finance Executives



Introductions



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Framework for restarting your organization



Restarting America | Overview

The Restarting America challenge:

- **Health risks continue to mount** as states face challenges to contain COVID-19 and flatten the curve
- Unclear timeline for arrival of **viable medical treatments** and **sufficient capacity of accurate testing** to facilitate eventual return to business as usual
- It remains uncertain when and what form **economic recovery** will take place

A successful Restarting America program overall:



Maximize

- # of businesses reopened and providing core products and services
- % of workforce safely reintegrated






Minimize

- Risk to the workforce and public (operational, regulatory, reputational, fraud, data)
- Further workforce/ broader operational disruption



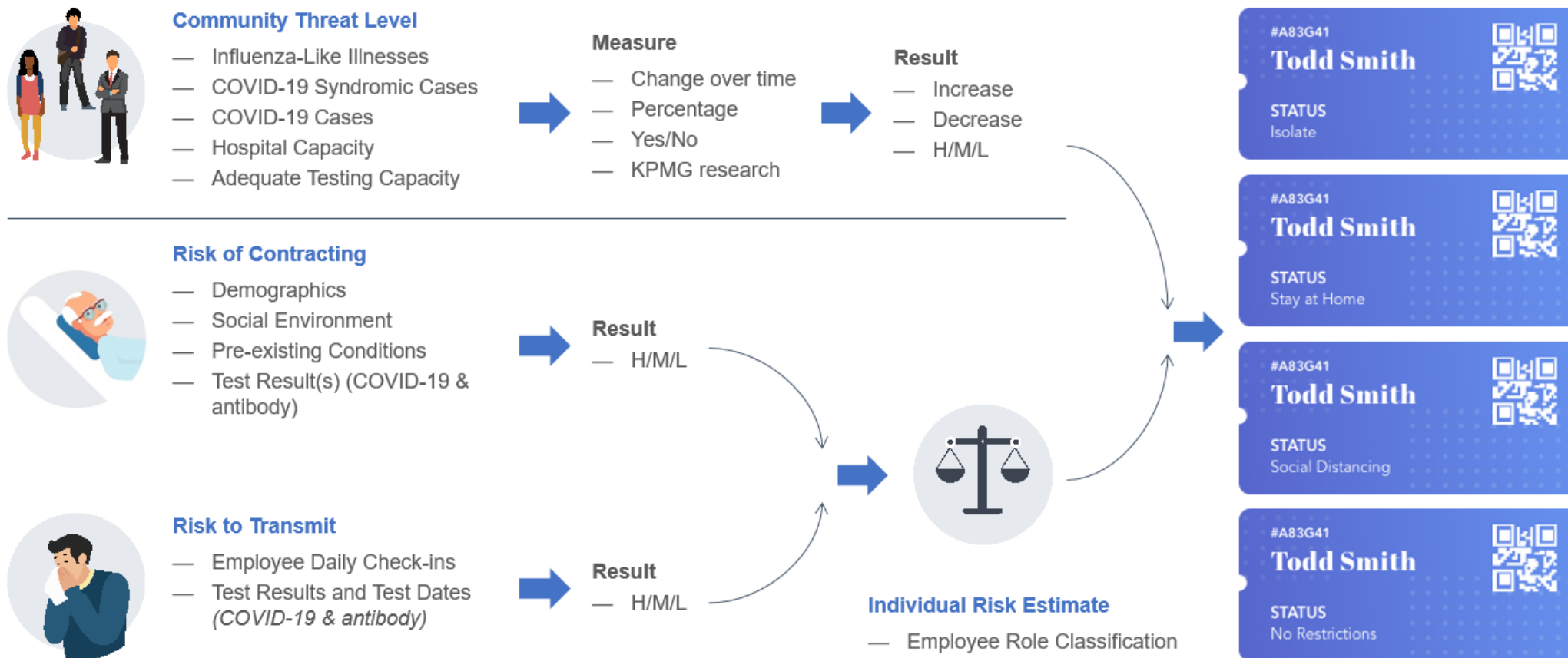
Restarting America | Playbook

Our operating model recommendation is to be informed by public policy, medical and technology leaders to support Restarting America using a 5-step approach

- **Risk Framework**
Using medical and public health guidance currently available, we can help develop a risk-based framework to help you determine which workers can return to work in what circumstances
- **Workforce and Workplace Considerations**
Our ability to anticipate challenges around working remotely, changes to the workplace “new normal”, performance management considerations and ongoing communication
- **Partner Ecosystem**
Create an ecosystem between employees, healthcare providers and medical insurance companies to obtain and safeguard PHI
- **Technology Enablement**
Our technology enablement capabilities can accelerate the deployment of unique COVID solutions to create consistency and scale during the restarting effort
- **Program Governance**
Our ability to coordinate across KPMG, client, and contractor/other vendor teams. Resource capacity modeling, workforce FAQ’s and training, daily performance reporting, productivity

Key Actions and Considerations

Using medical and public health guidance currently available, develop a risk-based framework to determine which workers can return to work in what circumstances. KPMG has created a conceptual model that could serve as a starting point for companies seeking to develop their own.



② Workforce & Workplace Considerations

As we start to consider the easing of lockdown and a return to options for working flexibly, not just remotely, there are a number of elements to plan:



Priority groups

Which groups are a priority for returning to work on-site?



Scheduling

How do we group teams to be in the same physical space?



Health & well-being

Continued provision of additional health and well-being measures, both on-site and virtually



Effective working

Designing how mixed teams will work, e.g., team meetings combining face-to-face with virtual, to ensure consistent interactions



Employee engagement

Continued engagement through communications at all levels and across location-based and virtual teams



Technology

Management of technology and networks to cope with combination of in-house and remote access, ensuring remote workers are not disadvantaged



Policy

Redesign and alignment of HR and employment policies to the new working practices



Facilities & workplace

Redesign of work space to serve remote and face-to-face simultaneously



3 Partner Ecosystem

1 Risk Framework

2 Workforce & Workplace Considerations

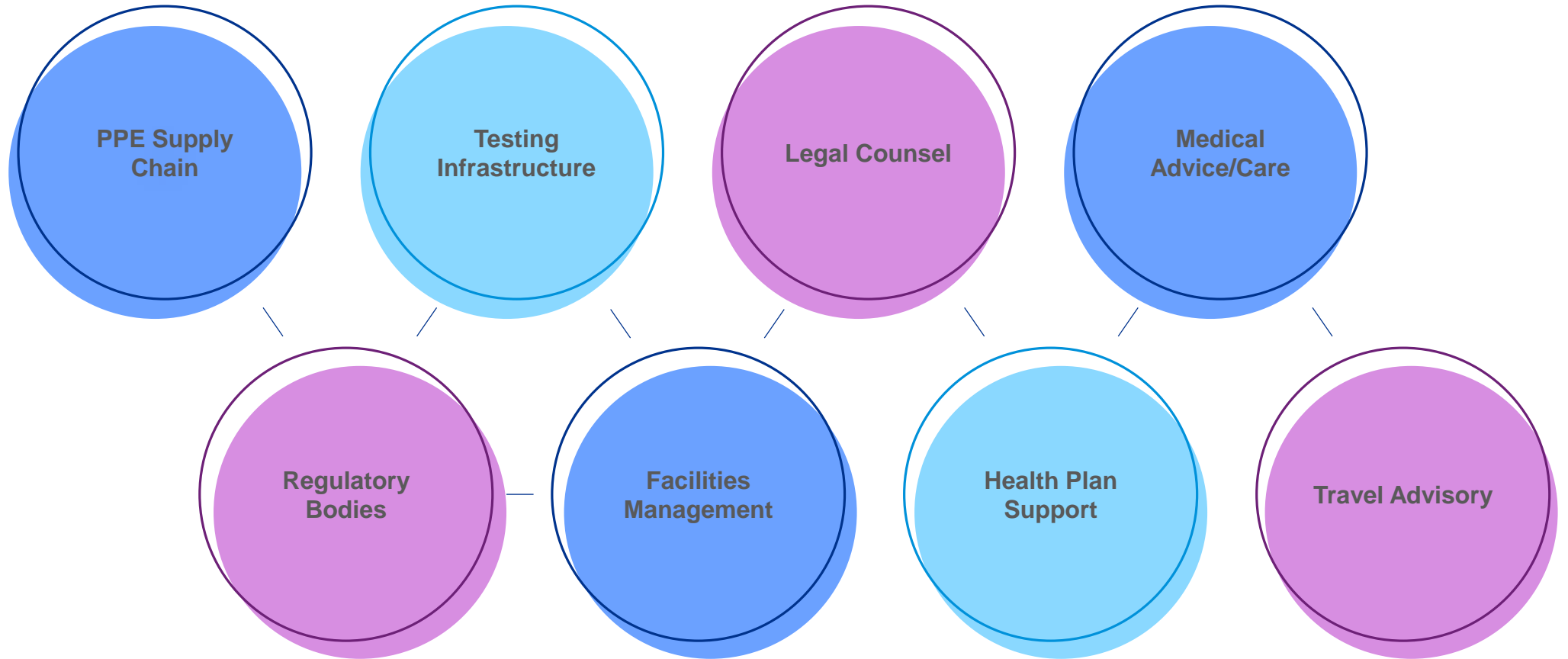
3 Partner Ecosystem

4 Technology Enablement

5 Program Governance

A Diverse Set of Capabilities Will Be Required

To accelerate the pace of recovery employers will need to source capabilities and insights through an ecosystem of partners and relationships.



4 Technology Enablement

1 Risk Framework

2 Workforce & Workplace Considerations

3 Partner Ecosystem

4 Technology Enablement

5 Program Governance

Technology Requirements

Risk and Decision Framework	Employee Engagement	Management and Oversight	Scalable Infrastructure
Risk of Contracting	Human Centered Design	Facility Readiness Management	Mobile Enabled
Risk to Transmit	Wellness Focus	Workforce Dashboard	Security
Community Threat Level	In-App Adjudication	Facility/Community Dashboard	Trusted Ledger
Contact Tracing	In-App Work pass	Home Office, Client, Training	Platform Agnostic
Testing	Sentiment Survey	Travel	Multi-Cloud Ready
Dynamic Risk Appetite	Empowered Decisions	Exception Management Process	
Guidance & Thresholds		Privacy/Risk Trade-off	

4 Technology Enablement

1 Risk Framework

2 Workforce & Workplace Considerations

3 Partner Ecosystem

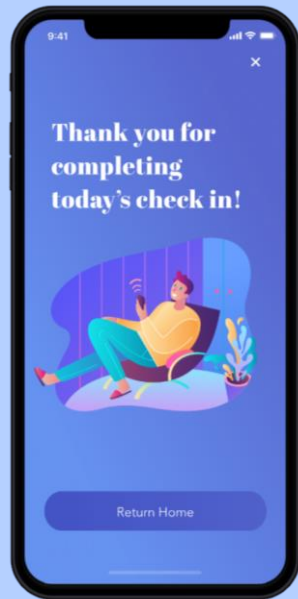
4 Technology Enablement

5 Program Governance





The KPMG Digital Toolkit

Mobile App Experience

Mobile user interface that aggregates digital tools to support the user in making safe, intelligent decisions. Allows user to return on a daily basis to provide more information & move their risk from red to green.

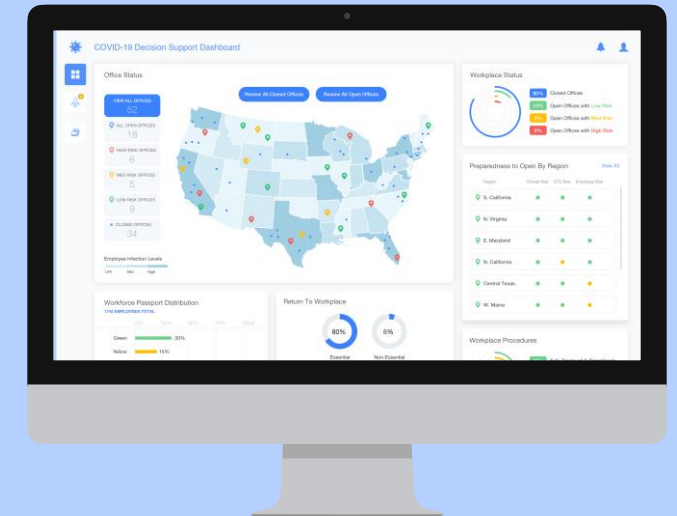


Potential Options

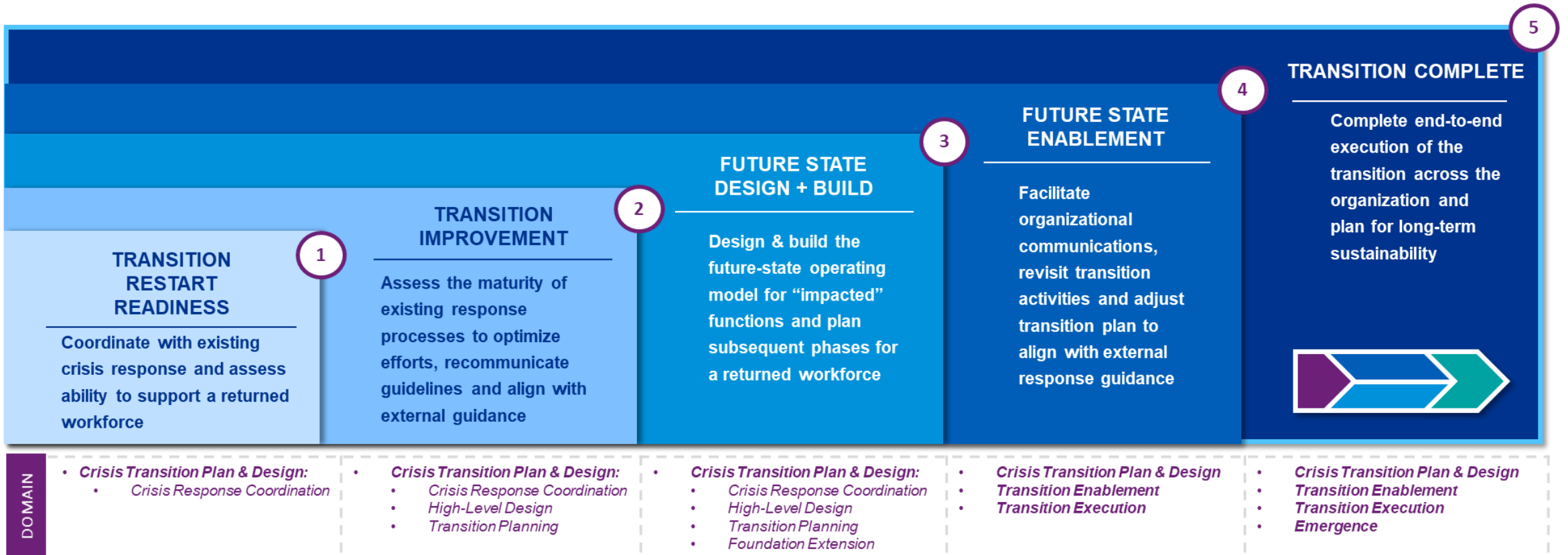
-  **Remote Health Monitoring**
Ability to track and monitor user provided symptoms using connected devices, wearables.
-  **Social Distancing Enforcement**
Audible, visual, or vibration reminders to enforce social distancing guidelines.
-  **Contact Tracing**
Using technology including Bluetooth and beacons to identify and inform persons who may have come into contact with an infected person.
-  **IoT**
Thermal scanning, sensors and related solutions to show traffic, sanitation needs and other critical protocols for reopening.

Dashboard

Platform enabling your management to make intelligent decisions regarding who can return to the workforce and how.



Workflow: Low-code workflow platform to connect requests and information to dashboard





Q&A

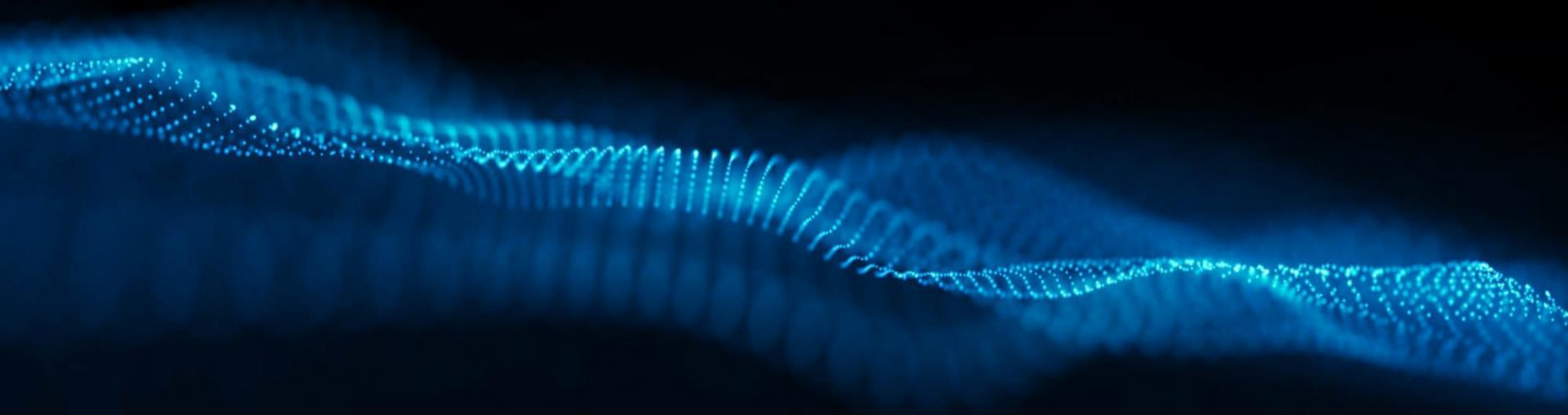
Polling Question #4

RESULTS

How are your risk functions involved in your company's COVID-19 return to work efforts?

- a. Not involved
- b. Plan to be involved in the monitoring phase of return to work
- c. In an advisory role to our COVID-19 task force(s)
- d. Active members of our COVID-19 task force(s)

Focus on Risk Executives



Building and maintaining trust is the name of the game

What...and how...matter

- What: Marrying **when your employees, as individuals, are ready to return to work** with **when your workplace is ready to receive them safely and keep them safe.**
- Using a recognized governance model to assess operational, reporting, and compliance needs in a structured way

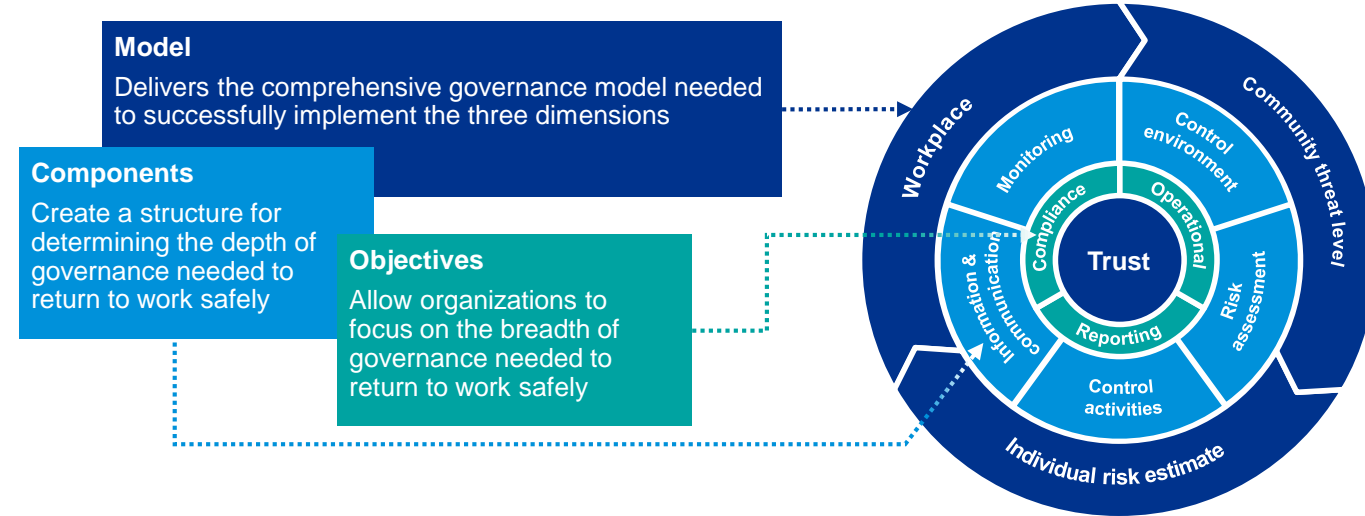
Model accounts for three dimensions of “what”

- Community threat level
- Individual risk estimate
- Workplace

And, uses COSO’s components and objectives to add the “how”

Leads to an **agile governance model that creates and builds trust** with employees, customers, regulators, and the broader communities that you operate in.

KPMG LLP’s Restarting America Governance Model



Who should use this model



COVID-19 Task Forces – task force members can use this model to **evaluate the comprehensiveness of the programs you are putting into place** and to identify potential gaps that will need to be filled.



Risk Functions – Risk functions can use this model to **evaluate the on-going monitoring and reporting (internal and external) needs** of the organization.

Framework at a glance

Dimensions

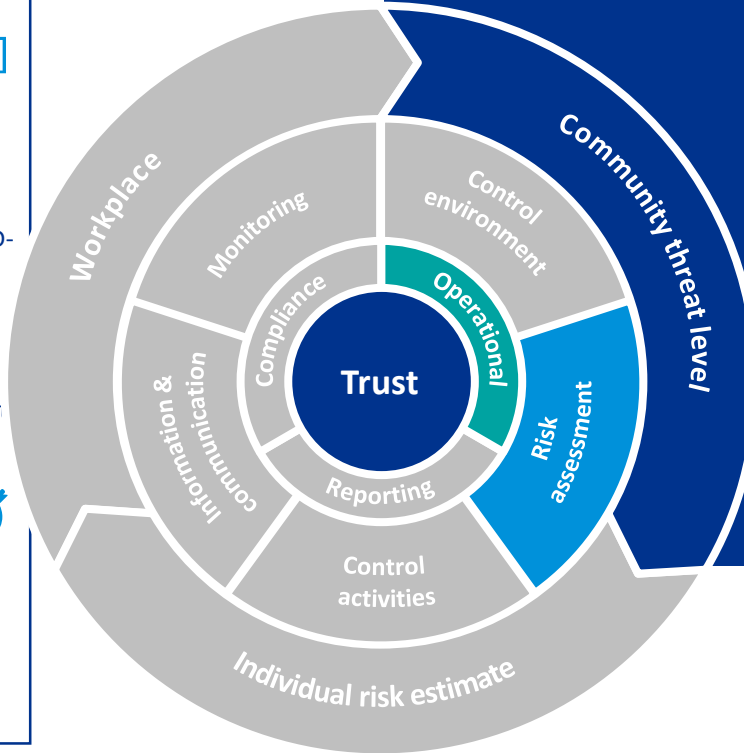
- **Community threat level**—COVID-19 threat within given communities
- **Individual risk assessment**—An individual’s risk to transmit or contract COVID-19
- **Workplace**—Specific actions taken to create a safe work environment

Components

- **Control environment**—The standards, processes, and structures needed to manage COVID-19 workplace safety
- **Risk assessment**—Identifying risks and assessing risks related to COVID-19 workplace safety actions
- **Control activities**—Controls put in place to mitigate risks to COVID-19 workplace safety
- **Information and communication**—Information needed to meet COVID-19 workplace safety objectives and how those objectives are communicated internally and externally
- **Monitoring**—The on-going and separate evaluation processes that will be used to ensure COVID-19 workplace safety objectives continue to be met

Objectives

- **Operational**—effectiveness and efficiency of the entity’s COVID-19 workplace safety actions
- **Reporting**—Reporting to key stakeholders—internal and external—on the entity’s COVID-19 workplace safety actions
- **Compliance**—The entity’s adherence to COVID-19 related laws and regulations



Drill-down example

At the **community threat level**, determining **risk assessment** actions needed to satisfy the **operational** objective of an organization’s COVID-19 response:

- How has the CTL risk assessment been structured and what are the key risk scoring factors/metrics* that are being used to create the assessment?
- How often are those key risk factors re-assessed?
- How are the risk scoring factors being selected/weighted to arrive at an overall risk factor score?
- How has the organization assessed the risks of relationships with third-party data providers to the CTL?
- Has the organization designated “risk events” within the CTL, their impact on the business and the escalation procedures?

*Refer to the following page for example CTL metrics that may be used.

*This content outlines initial considerations meriting further consultation with Life Sciences organizations, Healthcare, Clinicians and legal advisors to explore feasibility and risks. organizations

Outcomes



COVID-19 Task Forces



Risk Functions

Governance framework confidence



- Evaluate authorities, structures, responsibilities, oversight, and competencies needed to ensure you create the right governance model to manage returning to work safely.
- Integrate an approach that can scale to wherever your return-to-work program currently stands.
- Assess programs you are putting in place to return your organization to work against a comprehensive framework.

- Assess control environment changes implemented/needed to manage the companies return to work safely plans.
- Evaluate the ongoing monitoring and reporting (both internal and external) needs of the organization to build and maintain trust.
- Review workforce and workplace risks for your employees as well as third-party relationships that are essential to operating your business.

Navigating challenges



- Deploy resources effectively through identification of gaps identified while using the framework.
- Use our governance knowledge and team of subject matter professionals to customize our model to meet your specific organizational and workplace needs.

- Quickly identify control gaps within your return to work programs across operational, reporting, and compliance needs.
- Gauge the need for enhancing controls in your return to work programs through iterative assessments.

Mechanism for creating sustainability



- Adapt your governance model as new information becomes available and approaches to the pandemic evolve.
- Improve engagement with employees and business partners with trust at the forefront.

- Create or execute real-time assessments, ongoing monitoring, and supplier compliance with workforce and workplace safety requirements based upon your reporting needs.
- Incorporate ongoing guidance on aligning federal, state, and in some cases local, guidelines aimed to help organizations manage risk in returning employees to work.

Polling Question #5

RESULTS

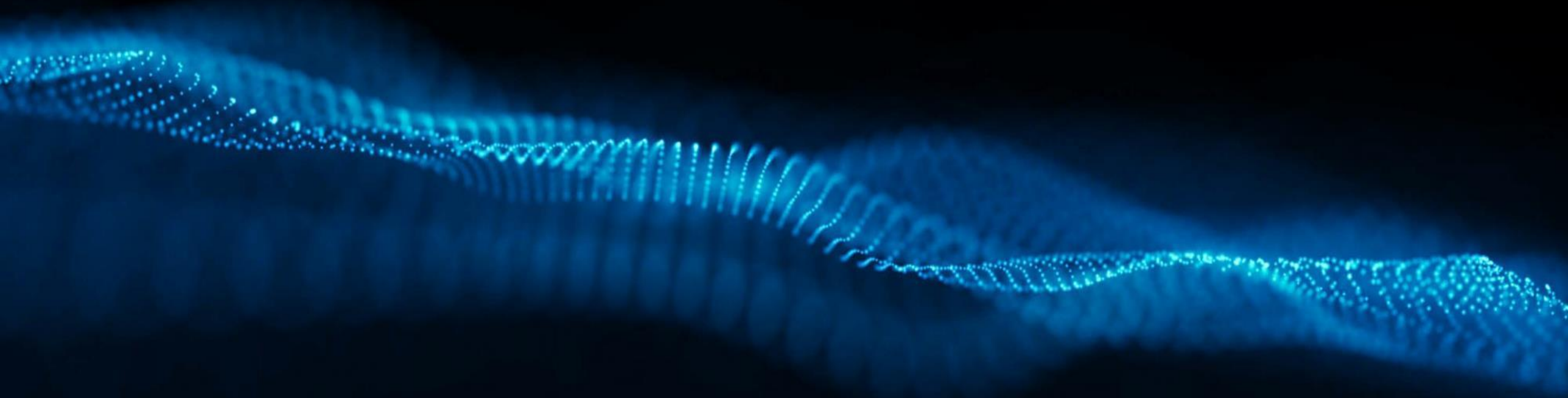
How would you see being able to use this governance framework within your company's COVID-19 plans:

- a. As part of a real-time assessment working with the COVID-19 task force
- b. As part of a planned or to be implemented risk assessment process
- c. As part of implementing changes to the control environment and specific controls needed for your return to work safely programs
- d. None of the above
- e. All of the above

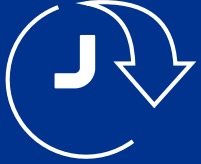


Q&A

Focus on Finance Executives



What should you be thinking about?



How can I forecast my business in these unprecedented times?



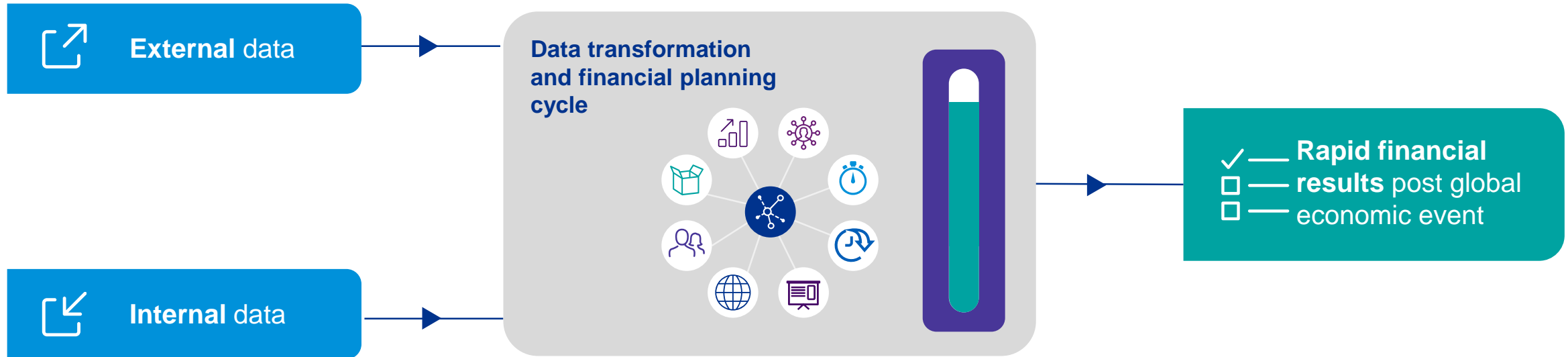
How can I create an “intelligent” forecast?



Why do I need to do these things now?

Data and analytics as a foundation

In order to rapidly respond to the economic volatility, organizations must identify data inputs and understand correlation of these data inputs on their forecasting process and financial results



Aligning on near-term and longer-term priorities

This approach solves for the immediate priority but lays the foundation for subsequent success opportunities within the entire planning and forecasting lifecycle

Near term ~ 4 to 8 weeks



Enhance year-to-go forecast

Solve the immediate need: reforecast year-to-go and provide guidance to stakeholders

Support strategic decisions

Get buy-in across the organization by aligning with strategic plans and enabling scenario planning

Longer term ~ 3 to 6 months



Expand forecasting model

Embed agility and speed in planning with automation of intelligent forecasting

Integrate with technology

Creates level of permanence for the new way of planning

Adjusting to a virtual forecasting cycle

Support the business virtually



Continue forecasting without the ability to “walk down the hall” by enabling automation with cloud and intelligent forecasting and self-service reporting capabilities

The FP&A playbook after COVID-19

Business as usual is not an option and the time to respond is NOW. Rapidly automate the forecast to improve accuracy and get better insights, while establishing a foundation for future enhancement of the forecasting process.

Explore transition to cloud-based solutions to reduce future risk

Proactively leverage untapped external data from countries ahead of the curve in responding to COVID-19

Allow for visibility into impacts on financial, sales, and demand forecasts to make better decisions

Prepare workforce for virtual and touchless forecasting

Rapidly assess data ingestion process and reporting data model

Enable quick, efficient scenario planning and “What-if” analysis to react quickly for the next event

Quicker insights to redeploy capital across brands and geographies and manage risk

“Rapid reforecasts” to capture changes in customer behavior and be ready to “bounce back”



Q&A

Today's Contacts

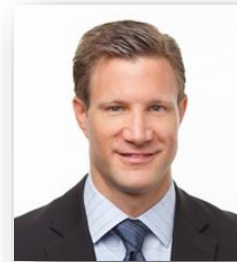


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