



THE NC CHAMBER
STRATEGIC INITIATIVE BOARDS'

Special Initiative for Business Continuity

CONFIDENTIAL DRAFT

Special Initiative for Business Continuity

25.

The number appeared in small font on the corner of a slide deck presented at the NC Chamber's Board Retreat in August of 2021. Many in the room thought it was a random page number, left over from a previous iteration of the presenter's slide deck. Its inclusion was anything but accidental.

There have been 249 pandemics throughout recorded history, from 1200 BC to the COVID-19 virus today. Twenty-four of those pandemics have been major.

The sober reality is that 25 is coming. Are we ready?

Our state's business community would answer that question with a resounding, no. We are not ready for the next crisis and there were significant shortcomings throughout the COVID-19 pandemic that provide tremendous opportunity for future improvement.

Before we pronounce that we are entering a new, "post-COVID" era, there are numerous valuable instructions to learn from our still ongoing experience with COVID-19. Throughout this challenge, the business community has implemented policies and best practices that will be instrumental in preparing for and recovering from our state's next unexpected natural, public health, or security crisis. It is imperative that we use the insights from this crisis to determine how we, as a business community, can help our state build resiliency and continuity beyond COVID.

It is vital we build trustworthy frameworks to standardize the data sets and regulatory protocols that will inform our decisions in future crises, ensure these frameworks are inclusive and address the needs of our diverse businesses, and establish shared messaging strategies to instill trust in our processes.

We must proactively strengthen relationships with key partners – the education community, state and local health agencies, emergency management officials, and others – and develop a government crisis action plan to steer our engagement with public-sector leaders as we advocate for business needs.

If we do not begin to act now, we are bound to repeat some of the same hard lessons we have just learned when, in a few years, we see the number 26 on the screen. Now is the time to act.

Guiding Principles

In determining best practices when preparing for and recovering from an unexpected natural, public health or security crisis in the future, the business community is focused on the following guiding principles:

- Collaboration between the public and private sector. North Carolina is made stronger by cooperation and shared power, to develop agreement on direction, and to act based on risks.
- Participation in the process so that any plan implemented includes business review, input, and acceptance, ultimately maximizing its effectiveness.
- Legal research to provide better clarity on the scope of authority and the distinctions between legal mandates and guidance.



Establishing a Framework for the Future

In our [Relaunching North Carolina](#) document, released in 2020, we developed a framework to guide us in considering how our state could better respond to a future crisis.

Achieve Consensus and Transparency in Data

The business community has a history of using generally agreed upon “market indicators” as benchmarks for decision making. Similar practices must apply to any future recovery process. There must be transparency and consensus regarding the correct data, datasets, and inputs needed to guide our state’s response to a crisis; determining what data to track should be a collaborative process. Any predictive modeling should be vetted and found to rest on a sound conceptual framework.

In the case of a future crisis, there must be broad agreement – among leaders in both the public and private sectors – on what the right data points are. Any changes on those points should be paired with clear communication and input on why the measurement has shifted. Businesses and other entities share a common focus on the quality, quantity, reliability, and consistency of data being used to guide decisions in a crisis; therefore, the goal posts set with regards to data must remain consistent.

Secure Statewide Uniformity

A lack of uniformity leads to an inconsistent statewide response, creating an environment of uncertainty for all – including businesses, local governments, and private citizens. The Governor’s authority over counties and municipalities should be clear in a crisis, and the power to preempt the patchwork of local orders should be equally established.

Going forward, the business community will work to bring proactive clarity to this process through research and recommendations, as well as bolstered relationships and coordination with the N.C. Association of County Commissioners and the N.C. League of Municipalities.

The business community will also urge state government to establish a government-maintained “one stop shop” for citizens and businesses to view all orders in effect across North Carolina. This missing capability has helped create an atmosphere of uncertainty around enforcement of directives.

Elevate the Role of the Business Community

Whether our state is faced with a natural, public health, or security crisis, the strength of North Carolina’s economy is an essential piece of its recovery. There must be a formal process for the business community to offer input that is taken seriously.

This process should allow for review of the designation of businesses as “essential” vs. “nonessential.” Currently, there is broad consensus among the business community that such a divisive practice is unnecessary, given the symbiotic nature of our economy.

Sharpen a Coordinated Communications Strategy

The business community must be more purposeful and nimbler in coordinating and communicating its key messages. Though our response as a business community steadily improved throughout the COVID-19 crisis, at the outset, there was not a coordinated public-facing communications strategy to show solidarity. The vacuum did not instill confidence that business had the proper plans in place to protect the health and safety of both employees and customers, which was simply not the case.

Following a crisis, consumers will lack confidence, even when government provides the “all clear.” The business community must work collaboratively with the public sector to return some of that confidence.

Businesses also play an important role in providing a balanced measure of accountability of our elected officials in times of crisis. As employers, we have a pulse on what is happening in local communities and can better advocate for a more urgent path forward.

Address Challenges in the Supply Chain

While pandemic planning has been undertaken by public health officials for years, the COVID-19 response was “just-in-time,” rather than being able to rely on planning exercises to guide the deployment of public and private resources. It will be important to establish clear processes for a more collaborative, proactive response in the future.

Our supply chains for testing and treatment inputs, including PPE and other medical supplies, need to be reformulated so that North Carolinians are not beholden to international supply lines over which they have little control.

A key component of planning should include assessment of funding allocation to ensure equity across the research/medical community.

Improve the Introduction of Assistance Programs

There has been tremendous confusion surrounding small businesses’ efforts to access federal and state assistance. Business owners may not have fully understood the “loan” nature of some federal assistance. The collaboration across industry sectors to provide more detailed guidance and expertise is certainly a best practice for future crises.

Putting Action Behind the Framework

Following the release of Relaunching North Carolina in 2020, the work of the business community continued. The NC Chamber's Board of Directors and its Strategic Initiative Boards agreed that the NC Chamber can and should play an integral role as a convener of stakeholders and the common voice for North Carolina business. Furthermore, it was clearly articulated that the NC Chamber is the group with the reach and the capability to bring together leaders from the private and public sectors to engage in collaboration.

A framework is a starting place for a discussion, it is not a plan. It is not realistic to map a plan that covers every business, every potential crisis, and every available response. Instead, there must be a framework from which all parties operate. The Strategic Initiative Boards each developed a framework for discussion based on their area of expertise.

The key objective was to establish command-and-control continuity over key decision-making protocols and systems impacting business resilience.

To meet that objective, the NC Chamber:

- Convened and facilitated its volunteer leadership to develop tactical action recommendations for future uncertainty,
- Integrated the results into a strategic plan for business resilience and continuity, and
- Provided a common voice for business to nurture relationships, communicate recommendations, and foster buy-in from key stakeholders, policymakers, and the public.

The NC Chamber is guided by Strategic Initiative Boards in the following areas:

- ▶ Business Continuity
- ▶ Corporate Communications
- ▶ Diversity, Equity, and Inclusion
- ▶ Education and Talent Supply
- ▶ Infrastructure and Growth

The following is each group's framework to enable North Carolina's business community to nurture and strengthen key relationships, strengthen our definition of the narrative we set as a business community, and impact public policy, if needed.

Business Continuity

North Carolina businesses are no stranger to business continuity plans. Our members regularly prepare and plan so that they can maintain essential functions in the face of natural disasters, fires, cyberattacks, or other threats. The goal, of course, is to ultimately recover and return to full, efficient operation, and to manage through challenging times with certainty and predictability.

The challenge during COVID-19 was that the business community was largely prone to directives issued without full consideration of their impact on the private sector. Ambiguity can be crippling in a time of crisis. When directives are not clear, stakeholders are reluctant to seek additional guidance out of respect for strains on decisionmakers' time, but they also lack the confidence to move forward, for fear of violating well-intended government-issued standards and guidance.

The NC Chamber's Business Continuity Strategic Initiative Board was tasked with assessing the lessons gleaned from the COVID mid-action review at the Chamber's August 2021 Board meeting and with creating tactical action recommendations to improve the business community's engagement during the next major COVID-like disruption. The underlying goal is to strengthen the business community's influence over key decision-making protocols and systems that directly or indirectly impact business resilience and continuity.

The Strategic Initiative Board therefore recommends that the Board direct NC Chamber staff to explore creating an annual Business Continuity Strategy Session during which numerous stakeholders across the public and private sectors recommit to collaborative communication and decision making when either of them must respond to catastrophic interruptions that threaten life or property.

While much of this conversation has become routine in regard to natural disasters, it is not as developed regarding public health emergencies involving highly communicable disease and other potential major crises.

The vision for this event is that it engages business continuity leaders from the private sector as well as public officials in emergency management, public health, local and state government, and beyond, with the key objective of nurturing relationships, communicating recommendations, conducting gap analyses, and fostering buy-in from key stakeholders, policymakers, and the public.



Corporate Communications

A key part of continuity through a crisis hinges on communication. Everyone impacted by the crisis needs clear, consistent information so they know how to respond and how to adapt as needed.

In a future crisis, the private sector (inclusive of the medical community) and government can and must develop more thoughtful, inclusive messaging to instill trust in community-wide response efforts. This cannot happen if each group continues operating without the other, it has to be a collaborative effort.

Executing around that does not just happen, it requires relationships and process.

The NC Chamber's Strategic Initiative Board on Corporate Communications is working to build a comprehensive list of potential stakeholders that could be needed to manage any type of crisis, specifically discussing what unique perspectives need to be included for any variety of challenges.

The Global Industry Classification Standards help frame the private sector, and the group also emphasized the importance of nonprofits, associations, and, of course, the public sector areas that could and should be involved.

The NC Chamber will convene this group on a regular cadence. To start, the people in these roles should meet and begin to form relationships. As those relationships strengthen, the group can begin to truly collaborate.

A point of contention throughout the COVID pandemic was communication around data. That could be prevented through annual risk assessments, a process currently executed by most of businesses across the state. The NC Chamber, in alignment with the Strategic Advisory Board on Corporate Communications, will create a framework for applying that approach to planning for future crises so that stakeholders can have many of the appropriate indicators and triggers agreed upon in advance. For example:

- What data do we agree are the key indicators?
- What is the process when the indicators are met?
- When the goal posts are moved, how do we return to focus on the original data points?
- How do we develop alignment of business groups, and beyond, to create one voice?

This process will take time but frequent and consistent engagement among stakeholders will not only create a process that meets the needs of most, but it will develop relationships that are desperately needed for our state to be successful.

Diversity, Equity, and Inclusion

The pandemic highlighted challenges in communicating and delivering services equitably to North Carolina's diverse population specifically around the economically and socially disadvantaged.

Moving forward, to deliver business resiliency, businesses must be part of the process so that they can serve as a resource for their employees and the communities they represent. Employers have a key role to play in sharing accurate, aggregated information. For example, in the pandemic, if there had been combined medical research, information, and best practices, it may have been helpful sooner, and in the future, the NC Chamber could play a larger role in placing businesses and accurate health information into the hands of employees.

Relationships are key to this effort, key stakeholders must be engaged now so there is buy in and familiarity from all parties. Initially, leaders in geographic areas should be identified and connected regionally, with a process for feeding that information up to leaders at the state level. Issues to be addressed in these convenings include:

- How to develop trust and access to resources to address the inequity around access to medications, preventative health screenings, and education. Specifically dig into the root causes around how to close the health and resources gap in marginalized communities.
- Locations that can serve as a resource for distribution of support (ex. hosting a vaccine clinic, providing testing, etc.),
- Supply chain processes and opportunities,
- Designation of essential employees,
- Trusted communications channels and grassroots networks (ex. churches, grocery stores, community centers, local chambers),
- Child-care options to transition/help more women move back into the workforce.



There are no doubt states and even regions within North Carolina that successfully delivered in these areas. We must identify those successes and determine how to replicate them statewide and/or in regions most applicable.

This is an evergreen process that must not be shelved. There has to be a continuous feedback loop between all of the diverse populations, regions, and experts to foster a trusted environment for success.

It would be ideal for the business community, through the NC Chamber, to host an annual convening between public and private stakeholders to look at how DEI challenges experienced through the pandemic could be mitigated in a future response. This group would consistently be working to identify processes or systems that can be implemented before the next potential crisis event.

Education and Talent Supply

In planning for a crisis, we must assess the normal operating environment and determine how to move to a crisis-management environment with as little disruption as possible.

Education is an area that experienced perhaps one of the most disruptive shifts in the COVID-19 crisis. Not only were teachers shifting to a remote-learning environment for which they had not been trained, but students were doing the same.

The rapid movement and sustained remote learning environment created by the COVID-19 pandemic yielded learning loss for North Carolina students. There was not a plan for this shift or clear definition of what successful remote learning should look like. Every community is different, and every student is different – there is not consistency in access to high-speed internet, teachers, and parents.

First and foremost, an assessment must be made on whether virtual is the only option, and if it is, should it become part of the standard curriculum so that students and teachers can feel comfortable operating in that environment?

North Carolina has a successful virtual public-school platform that has trained 700 teachers in a 6-month remote learning course. While that was not accessed by the broader system during the COVID-19 pandemic, plans should be made now to begin connecting all teachers with this training. Consideration should be made for how this becomes an integral part of the professional development criteria since the

programming exists at North Carolina's virtual schools. There must also be determinations on how to prepare students to be successful in a remote-learning environment. Specifically, connecting students with technological devices and proper training to use them, ensuring access to broadband, providing physical locations to learn should traditional locations be compromised, etc.

Varied decision making and prioritization created a patchwork system for how schools were functioning across the state. Moving forward, there must be a framework with guideposts for shifting to remote learning. Data-based decision making that is locally enacted and aligned with the appropriate stakeholders will improve the confidence in actions. For example, with the COVID-19 pandemic, public health, health providers, and health systems could have established mutually agreed upon triggers for all levels of crisis management actions.

The North Carolina Research and Education Network (NCREN) supports high-speed network connections to all of North Carolina's public schools, community colleges and universities, as well as state and municipal sites. These facilities can be leveraged to support communities. Plans to convert these spaces into adult-learning centers in future events should be explored. Additionally, staggered in-person classes for K-12 could potentially be accommodated to align with any potential gathering restrictions.

The success of our state's virtual schools should be explored for scale through regional pilot programs. These could be supported through alternative funding mechanisms, including a per-pupil enhanced funding for school districts to put toward remote learning. Alignment with the Opportunity Zones or other regionally, publicly established zones (e.g. Transportation, EDPNC regions) could provide potential targets for the pilot programs.

Infrastructure and Growth

The decisions made in the early months of the COVID-19 pandemic cast a shining light on the strengths and gaps in the infrastructure that provides the backbone of our state's response and management. Supplies, production, and distribution of personal protective equipment, testing supplies, and vaccines, along with related key essentials was not only disrupted, but the just-in-time inventory of the supply chains, to which the market was accustomed, did not



have redundancy, nor a plan to engage in the event of a major disruption, such as the global pandemic.

If a plan existed, far too few private-sector, non-health related businesses were aware of it. As a result, many scrambled to produce and to engage with government, health systems, and medical providers.

Command and control in North Carolina emergency management, arguably the best in the nation for natural disaster response and management, had a different command and control structure as public health assumed control. The shift in leadership did not leverage existing relationships with the private sector and the tried-and-true emergency management processes, creating uncertainty and a disjointed supply-chain infrastructure.

Infrastructure is a critical pillar of sustainable growth in commerce and must not be politicized.

North Carolina will be best served by developing, implementing, and regularly updating the following infrastructure improvements in preparation for the next state of emergency, including natural, health, and cyber:

- Statewide collaboration with a clearly defined regional needs assessment combined with coordinated and supported regional distribution systems,
- Assessment and identification of regional sites (infrastructure, warehouses,) that will serve as the hubs for storage and distribution to meet the needs of the region,
- Clear specifications for private-sector companies for the use of their facilities regionally throughout the state for manufacture, storage, distribution, and employee care,
- Governance clarity for processing, transportation, safety, and rationing of essential and critical products and services,
- Clear definitions of critical and essential elements,
- Identify, develop, and distribute specific crisis (natural, health, cyber) scenario protocols for conversion and temporary use of private-sector assets,
- Production, storage, and timely updating of personal protective products that are stored regionally based on specific crisis scenarios and population considerations,
- Identify, develop, and adapt an infrastructure plan for human and animal isolation during a bio-event to minimize labor shortages and supply-chain disruption,

- Establish metrics for infrastructure that is managed by government to ensure capabilities are achieved with predictable and transparent performance accountability,
- Provide incentives for private investment in capacity and innovation to accelerate the state's commerce to higher full potential,
- Develop supply-chain redundancy processes, systems and plans that can be initiated quickly.

Engaged stakeholders must represent the breadth of our state's infrastructure systems, including roads, rail, ports (land and sea), broadband, energy redundancy and security, computer hardware (inclusive of cybersecurity), waste disposal and destruction, and water security and treatment.

Continuing the Dialogue

The focus on continuity does not end with this document. The NC Chamber, on behalf of the statewide business community, will continue to engage and advocate for policies and best practices that will be instrumental in preparing for and recovering from our state's next unexpected natural, public health, or security crisis. We must work together as a state to build resiliency and provide continuity. Sharing our perspectives will help identify synergies.

While it is tempting to consider a developed plan of action as the end goal of this process, that would be short sighted and unrealistic. We cannot document a step-by-step plan for every stakeholder in every crisis. Instead, we must enable a framework that outlines and builds an agile process of engagement where roles transcend individuals, and all are working together toward the common goal.

The assessments and suggestions provided in this document will be topics of further exploration when the NC Chamber convenes its Business Continuity Strategy Sessions. Leadership is about people, and stakeholders across the public and private sectors have excellent examples from which to build to better crisis support the people of our state. North Carolina boasts one of the best Emergency Management systems in the nation, but we did not tap into that infrastructure as well as we could have in our crisis response. We can and will do better if we all come together to begin determining, and ultimately practicing, how we take a normal operating environment and move toward crisis management with as little disruption as possible.





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