

November 2019

viewpoint

Epidemics, pandemics – how do multinationals prepare for a future outbreak and should they even bother?

Multinationals and their HR and employee benefits professionals manage risks on a daily basis. Most of these risks are defined and can be planned for. But, as the world has seen again in recent years, some of the biggest dangers to society come from some of our oldest threats: viruses and diseases such as influenza, measles and cholera. The impact that Severe Acute Respiratory Syndrome (SARS) had at the turn of the century was, for example, a stark indicator of this ongoing risk.

Now, we're not setting out to scare you, but it's an interesting topic given that despite huge advances in medicine, new diseases and viruses still appear and old ones can still be a threat. Fuelled by a rapidly urbanising world, particularly in developing economies, and an ever-growing volume of international travel, viral outbreaks have the potential to cause major problems in large parts of society and affect both our daily and business lives.

With many specialists and organisations warning that the threats from viruses remain as high as ever,¹² how can multinationals recognise the risks and help themselves and their employees to be better prepared and help mitigate any danger?

Defining a threat

An epidemic is seen as a widespread occurrence of an infectious disease in a community at a particular time

A pandemic is defined as a disease prevalent over a whole country or even the world



“Despite incredible advances in medical science and the development of powerful new medicines, vaccines and therapies, it is very likely that the world will continue to face new, difficult-to-treat deadly diseases.”



An on-going threat

Humanity has had to face epidemics, pandemics and similarly devastating diseases regularly throughout its history. Last year, for instance, was the 100th anniversary of the start of the Spanish flu outbreak of 1918, a pandemic said to have infected around 500 million people globally.³

Medicine and our understanding of disease has moved on considerably since then, but a recent article in *The Lancet*, citing the Institute for Disease Modelling, stated that a new influenza virus like the one that caused the 1918 pandemic could still kill 30 million people within six months.⁴ The World Bank estimates that a global influenza pandemic on a similar scale and virulence of the one in 1918 would cost the “modern economy” US \$3 trillion or up to 4.8% of global GDP!¹

And so, despite incredible advances in medical science and the development of powerful new medicines, vaccines and therapies, it is very likely that the world will continue to face new, difficult-to-treat deadly diseases such as those seen in recent years: SARS, ‘bird’ flu and Zika as well as outbreaks of well known (but still lethal) threats such as cholera, Ebola and yellow fever. In 2012-2013, a new virus surfaced in the Middle East: Middle East Respiratory Syndrome (MERS), which spread fatally across many countries in the region.

The World Health Organisation (WHO), in its 260-page *Managing Epidemics* report published last year, said: “SARS was unheard of before 2003. But it affected more than 8,000 people, killing about one in ten of them.”⁴ An article in the *Harvard Business Review*, “Preparing for a Pandemic”, stated that if the bird flu virus was able to mutate into a form that transmits easily from person to person, “in the worst case, up to 30% of the world’s population could be stricken over the course of a year, resulting in as many as 150 million deaths.”⁵

All of which makes for a slightly depressing read! With this in mind, what can multinational organisations do to prepare for such scenarios and protect their employees, wherever they are in the world?

“Emerging economies tend to get hit the hardest as seen in the way recent epidemics have, primarily, impacted societies in South America, Africa and the Asia-Pacific sub-continent – areas undergoing significant socio-economic growth...”

Strong business continuity plans – and guidance to staff

The challenge of pandemics has been exacerbated by record levels of urbanisation across the world, the increase of international and long-haul travel. Emerging economies have usually been impacted the hardest by recent outbreaks, for example the Zika virus in South America, Ebola in Africa and Swine fever in the Asia-Pacific region. Many of these affected areas are undergoing significant socio-economic growth and attracting greater numbers of multinational corporations and international business travellers.

For international businesses, their staff, insurers and other entities that support them in maintaining the health and wellbeing of employees, how to deal with the very real risk of epidemics and pandemics remains a major concern. With an increasingly globally mobile work population, how can employers look after the health of their employees working and travelling in regions exposed to such risks?

Such is the nature of epidemics that, for businesses and their staff, effective planning can be extremely difficult and expensive. Epidemics are near-impossible to foresee and hard to control in the initial stages – by the time people recognise the risks it is often too late to contain. Responses will need to be tailored to fit the particular type of disease and will depend on a range of variable factors including the dynamics behind its transmission, the capabilities of local infrastructure, the proficiency of local healthcare systems, and the ability of staff to work remotely.



For businesses and the HR function, some of the most powerful tools in the face of an epidemic include strong business continuity plans and the means to deliver rapid, continually updated information and guidance to staff. The ability to deliver content to a mobile workforce is of paramount importance, particularly if the message is to restrict travel to reduce the risk of infection. Enabling – and empowering – employees to work remotely through best use of technology will also be key (particularly if international travel is affected); in a similar way, use of digital and social media to remain connected with staff will likely play a central role.

“The onus also lies on multinationals and major businesses to have in place the right plans and processes to protect and reassure staff and make sure the business itself can still function effectively in the event of any level of threat.”

The following is a shortened list of advice from the Health and Safety Executive (HSE), the UK government agency responsible for the encouragement, regulation and enforcement of workplace health, safety and welfare, in case of a pandemic flu outbreak⁶



Advise your staff to stay at home. Send home, at the earliest opportunity, any employees who are displaying flu-like signs/symptoms since retaining sick employees in the confines of a workplace will increase the likelihood of further spread of the disease to the workforce



Employee sickness absences may create a need for other employees, if willing, to work longer hours in order to keep your business going



If you have employees who can safely work from home this should be identified and encouraged. Opting for video-conferencing or tele-conferencing where possible instead of holding meetings is a practical precaution



Responsibility for providing advice on the use of masks for workers in general, including those in healthcare, rests with the employer or duty holder



Throughout the duration of a pandemic, it is likely that your workforce will be depleted. In these circumstances, it is important to ensure that appropriate training is given to any remaining workers who may be required to carry out unfamiliar tasks



Workers need to adopt sensible hygiene measures by washing their hands thoroughly and more frequently than normal and avoiding unnecessary hand to mouth or hand to eye contact.

The Harvard Business Review discussed issues that face businesses in the event of a pandemic and stated: “Any preparedness plan must address human factors, such as employee education, hygiene, staff movement and evacuation, sick leave policies, and absenteeism...”

“If the flu becomes a true pandemic, much of the impact on business will derive directly or

indirectly from unprecedented absenteeism... During the peak periods, or waves, of a pandemic, companies could experience absentee rates between 15% and 30%, due to sickness, quarantines, travel restrictions, family care responsibilities, and fear of contagion.”⁵

A major consideration for businesses and multinationals will also be how epidemics and staff illnesses are covered through

employee benefits and staff medical insurance schemes. Levels of benefits and care will vary significantly, with staff working in – or relocating to – regions and countries more at risk of epidemics likely to require greater benefits cover than other employees. The role that employers play, also, in the push for vaccinations – or in terms of supplying information and advice – may also become more relevant.

The rise of the global anti-vax movement

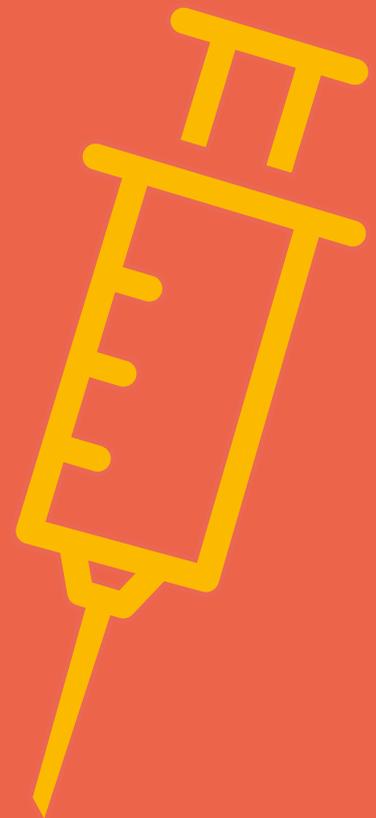
The threat of epidemics and viral outbreaks has been made worse in some countries by growing numbers of people actively deciding to not get themselves immunised (or their children). One factor behind this rise has been the appearance (and growth) of the so-called anti-vaccination (anti-vax) movement: contrary to overwhelming scientific and medical evidence, people are not getting vaccinated, leading to increased levels of risk and the resurgence of once-conquered ailments such as measles and polio.

For multinationals, particularly those either based in or with large numbers of staff in regions prone to epidemics, questions around what role they should and should not play in providing information and education about vaccinations, and what services they should offer their employees through their employee benefits, could escalate. The risk that greater numbers of staff may be exposed to diseases due to unvaccinated individuals could also become a greater issue, as may the threat of future generations of employees being unprotected.

A good example of this is the measles which while not often life threatening can cause serious long-term health implications. The WHO announced in August 2019 that measles has returned to four European nations previously seen as free of the illness – Albania, the Czech Republic, Greece and the UK. Close to 365,000 cases of measles have been reported worldwide this year, the WHO added, almost three times as many as in the first half of 2018.⁷

The WHO said the reasons for the renewed spread vary from country to country. Some people lack access to vaccination programmes, while others are misinformed about the illness and how to prevent it – with an emphasis on people being frightened of the Measles, Mumps and Rubella (often referred to as MMR) vaccine which has received a lot of press coverage.

The US, which is facing an increasingly vocal anti-vax movement, has been touted as the next country to lose its ‘measles-free’ status. In a recent article in The New York Times it was stated that the vaccination rate for the MMR injection in young children had slipped across the US to 94.3%, the third year in a row it dropped. Below 95% is seen as bad.⁸



“There is a very real threat of a rapidly moving, highly lethal pandemic of a respiratory pathogen killing 50 to 80 million people and wiping out nearly 5% of the world’s economy.”

The threat of an epidemic or pandemic outbreak remains very real – and not just from new and unknown threats but also from older, familiar ones such as measles.

In September 2019, the first report by the Global Preparedness Monitoring Board, a group of 15 experts convened by the World Bank and WHO, warned diseases such as influenza and SARS are increasingly difficult to manage and added that the climate crisis, urbanisation and a lack of adequate sanitation were grounds for potentially catastrophic outbreaks. “There is a very real threat of a rapidly moving, highly lethal pandemic of a respiratory pathogen killing 50 to 80 million people and wiping out nearly 5% of the world’s economy,” it stated.¹

In this context, while major outbreaks of diseases will likely become a public health issue very quickly, in our view the onus will also lie on multinationals and major businesses to have in place the right plans and processes to protect and reassure staff and make sure the business itself can still function effectively in the event of any level of threat.

That may be easier said than done, however: it is clear that the nature of pandemics and similar outbreaks makes planning difficult and many stakeholders, including HR specialists and insurance firms, do not have all the answers. What is perhaps clearer is that the ongoing rise of digital communications will play a fundamental role in any response to a future outbreak, and multinationals should look to reflect this in any continuity plans and employee guidance.

The Harvard Business Review article⁵ stressed that any business planning should take into account a worst-case scenario: “As companies start to address pandemic preparedness, they are discovering that a pandemic is fundamentally different from other, more traditional business continuity threats ... There needs to be a shift in the nature of continuity planning, away from strategies that protect infrastructure and toward those that protect employees and their ability to conduct business during a sustained crisis.”

1. Anon, Global Preparedness Monitoring Board; https://apps.who.int/gpmb/assets/annual_report/GPMB_annualreport_2019.pdf (sourced October 2019)
2. Anon. The World Health Organization; <https://www.who.int/emergencies/diseases/managing-epidemics-interactive.pdf> (sourced October 2019)
3. Anon, CDC; <https://www.cdc.gov/flu/pandemic-resources/1918-pandemic-h1n1.html> (sourced October 2019)
4. Anon, The Lancet; [https://www.thelancet.com/journals/laninf/article/PIIS1473-3099\(18\)30364-5/fulltext](https://www.thelancet.com/journals/laninf/article/PIIS1473-3099(18)30364-5/fulltext) (sourced October 2019)
5. Jeffrey Staples, Harvard Business Review; <https://hbr.org/2006/05/preparing-for-a-pandemic> (sourced October 2019)
6. Anon, HSE; <http://www.hse.gov.uk/biosafety/diseases/pandflu.htm> (sourced October 2019)
7. Anon, BBC; https://www.bbc.co.uk/news/health-49507253?intlink_from_url=https://www.bbc.co.uk/news/topics/c8eeyd509zet/anti-vaccination-movement&link_location=live-reporting-story (sourced October 2019)
8. Jan Hoffman, New York Times; <https://www.nytimes.com/2019/09/23/health/anti-vaccination-movement-us.html> (sourced October 2019)

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