



# Work resumption with a risk management perspective

NBA 2022 06 20

# Our Services



**Preventive**



**Investigative**



**Protective**



# Risk Management, Work Resumption

- People
- Suppliers
- Prevention





“Humans are social beings where regular social interaction in the form of community, friendship and supporting networks is crucial to our well-being”

- The lock down meant and means different to all of us. We as individuals are equipped and prepared in different ways. Some live alone, others in relationships with or without children. Some live in larger families with in-laws and others share an apartment with people they more or less know.
- Suddenly people are locked up in a way they never before experienced.
- Some relationships have been strengthened by what has happened, others have changed forever. Living close to each other without alternatives is very stressful in the long run.
- Loneliness is a feeling. You can feel lonely even though you are surrounded by people. Social isolation is a condition where you have few people interacting with regularly.
- Being socially isolated does not only mean feeling alone - isolation can also affect mental health.
- Research indicates that loneliness caused by social isolation can impair brain function and cognitive functions. People, when returning to work, might not be fully productive for some time.
- Being part of a community gives a strong sense of belonging. Regularly engaging employees during lock down in various ways creates the conditions for reducing negative impacts and creating the conditions for returning more quickly to a more normal everyday life.

## Returning to a new kind of normal.

- The social structure may look different for people. Although we can open up our workplaces, we may need to create flexibility based on the needs that exists (children, seniors etc.). We need to consider to increase flexibility in order to handle corporate and individual challenges.
- What seems as a stabile and “back to normal” situation for your employee/ colleague is perhaps not the situation for the rest of his/ her family.
- We need to address concerns about new Covid cases and fear of suddenly being in a new lock down.
- If possible, we need to balance the need of actually being in office with the need of reducing commute and exposure.
- Ensure Covid protocols, breach that leads to infections can lead to cancellation of business license.
- We must prepare for continued absenteeism
- Consider what is essential travel and promote flexible working arrangements

## Suppliers within our supply chain. Focus on business critical suppliers!

- Supplier inventory, red-flag focused research:
  - Litigation and regulatory standing, such as identifying any administrative penalties. There is some understanding from authorities, but the corporate social credit system is very much a needed focus.
  - Ownership changes, what specific risks are associated?
  - Operating capacities, workforce changes (comparable numbers 2019—2021)
- Strengthen and intensify physical audits (if Covid protocol allows)

## Associated risks

- Quality issues that arise when the supplier has problems with their own supply chain (raw material) and takes a conscious but not communicated risk regarding the material you then buy
- Increased risk of counterfeit components
- Delivery delays from established suppliers easily create stress in a purchasing organization that risks leading to alternative suppliers who do not undergo normal onboarding processes. This also creates risks of IP being leaked and engaging companies with borrowed licenses.
- To limit reputational risk, supplier compliance issues (e.g. hiring underage workers, poor treatment, and environmental violations) must be carefully investigated to ensure compliance with the company's code of conduct.



## Risk management

- The pandemic is not over, not globally and definitely not in China!
- Access to relevant info is key! Transparency is important!
- Disruption of various kinds are still a kind of normal for (some) time to come. Financial pressure will in some cases lead to lay off and even closure of businesses. From a corporate perspective planning for such a situation should include 2023.
- Domestic travelling is a risk due to secondary contact policy and sudden quarantines. Business travels should be limited as far as possible.
- Moving forward we may avoid lock down of entire cities, but we do live with area-specific lock down to a very high degree.
- We must, if not already in place, prepare clear routines to maintain daily communication regardless situation.
- We need to have a basic preparation in our offices in order to handle shorter lock downs (water and basic necessities).
- Continue to prepare for absenteeism and the fact that people do re-locate to an increasing extent. Pay attention to critical positions and talents.



Q and A



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