



Governments' response to COVID-19

From pandemic crisis to a better future

Executive summary

April 2020

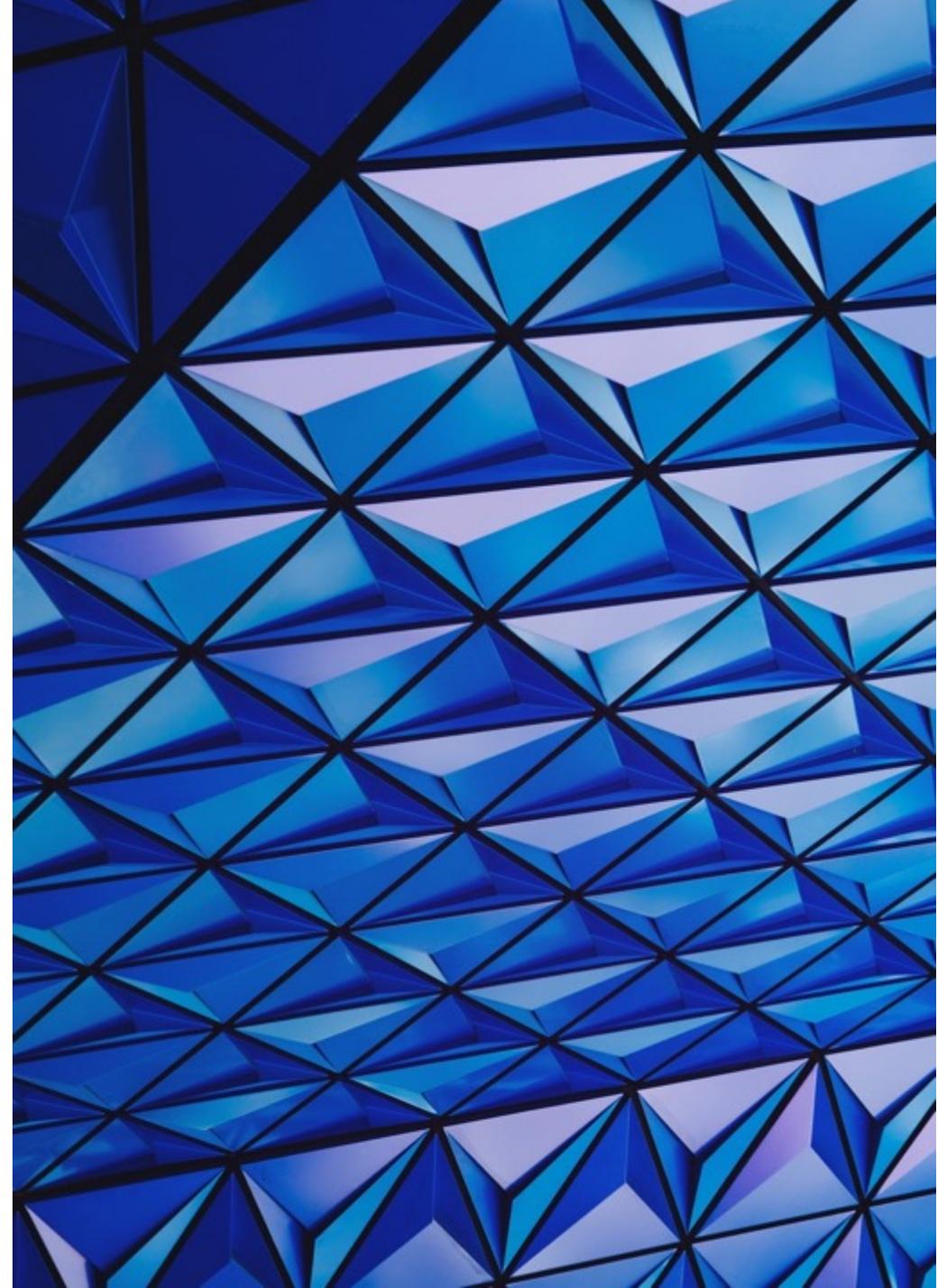
It's an unprecedented time for governments.

The rapid spread of the COVID-19 virus is challenging governments to act in ways normally reserved for war, depressions, or natural disasters. The pandemic has caused a massive global upheaval that may endure for months—or longer. Governments are taking extreme measures to limit the economic disruption and human costs.

In a fast-moving crisis, as information swarms in from every direction, citizens look to their governments for information, guidance, and leadership. They expect to be kept safe and healthy. Pressure on public officials to act is *enormous*. How can they hope to gain clarity amid chaos? How can they move from ad hoc solutions to a well-planned path to recovery? And, as we all eventually emerge from the crisis, how can they ensure more resilient, effective responses in the future?

Our response to this crisis must account for the urgency of the situation and consider both short- and long-term perspectives.

People should come first.



Contents

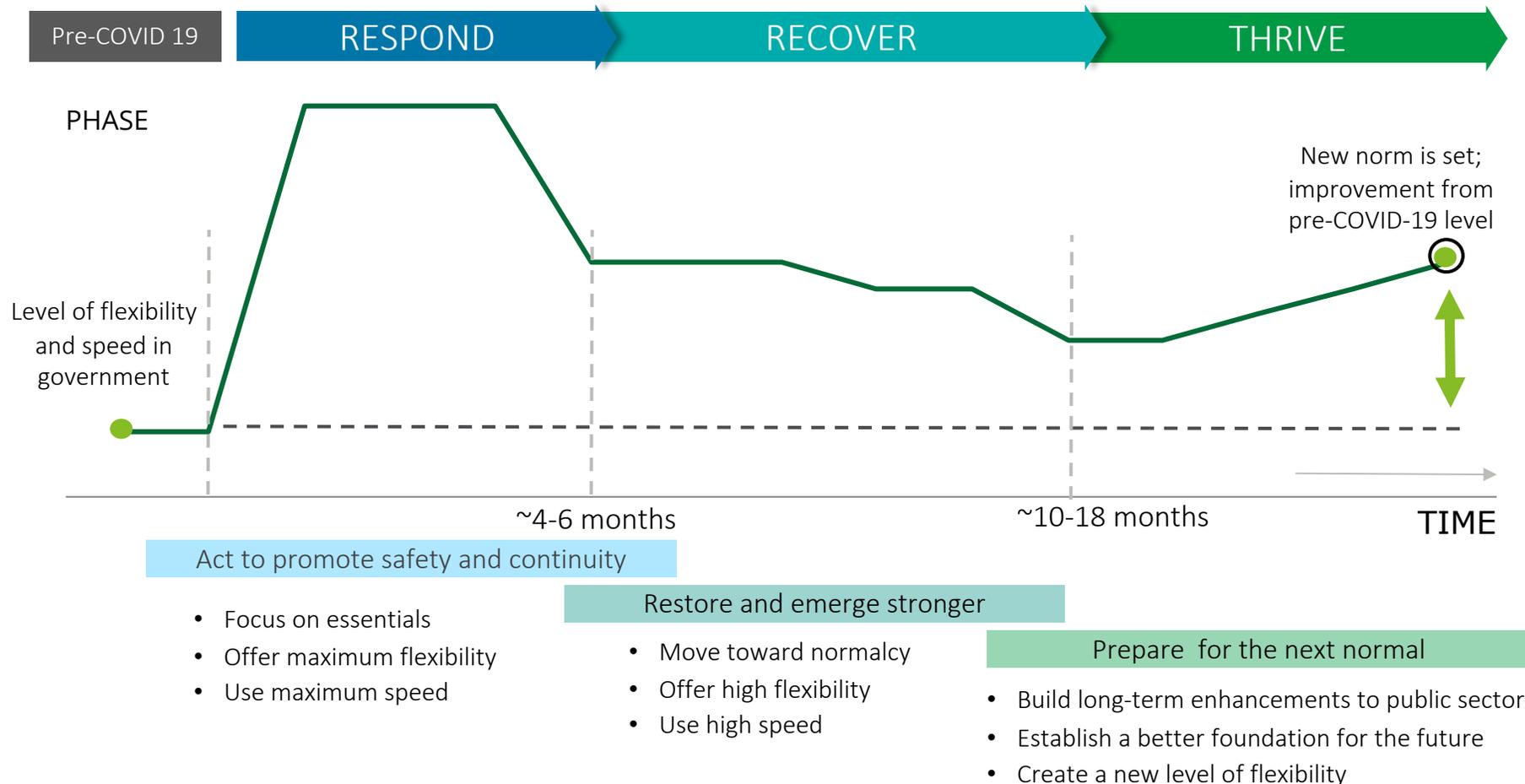
Government's journey through the crisis	4
Moving through the phases	10
–Phase 1: Respond	10
–Phase 2: Recover	20
–Phase 3: Thrive	30
Conclusion	34



Government's journey through the crisis

A timeline of government's actions through the COVID-19 crisis

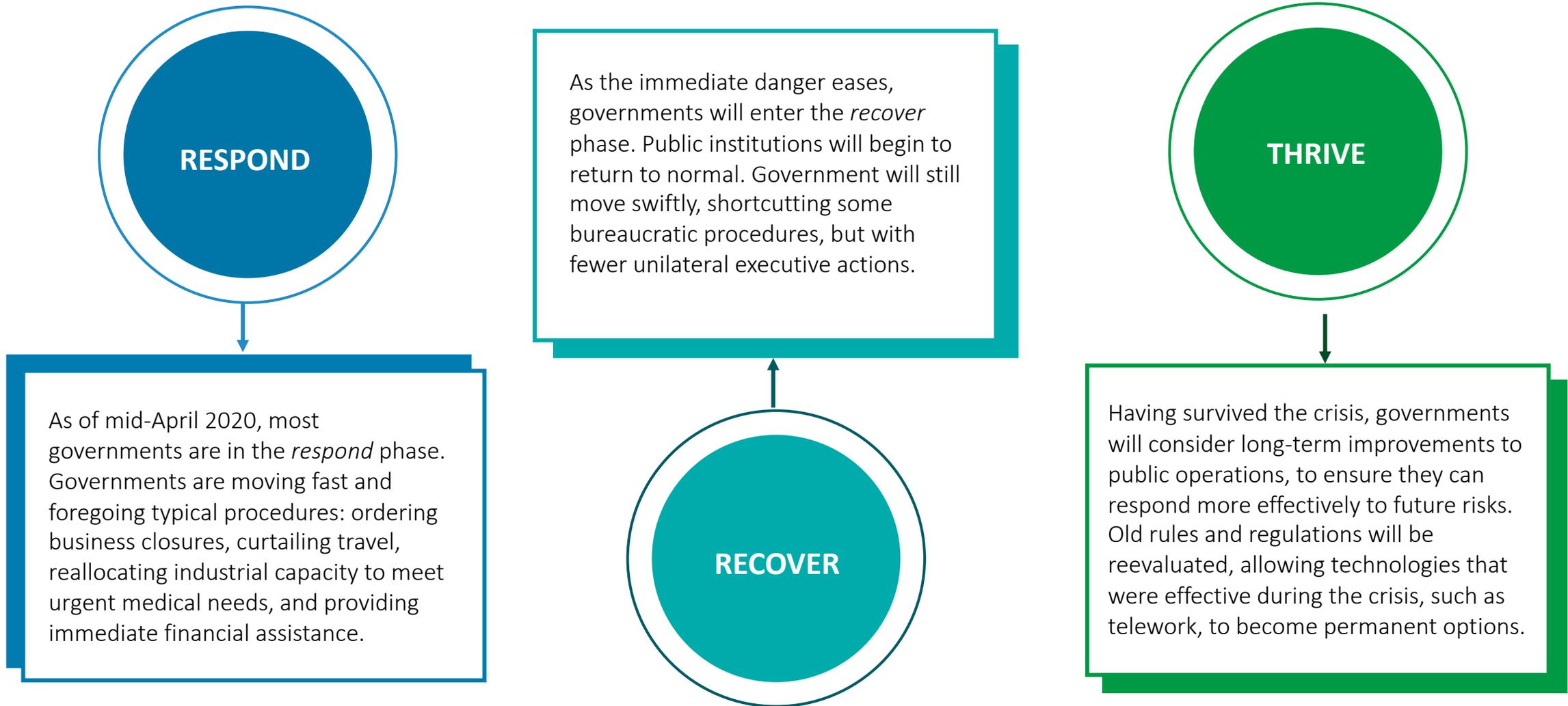
This figure models the COVID-19 crisis over time across the three overlapping phases governments will pass through: **respond**, **recover**, and **thrive**. Robust data analysis through all the phases will be vital so that officials can properly interpret the signals and act accordingly.



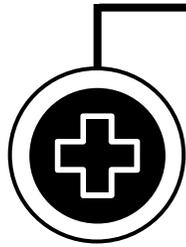
“You don’t make the timeline; the virus makes the timeline.”

—Dr. Anthony Fauci

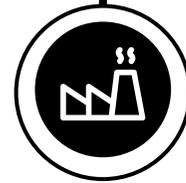
The three phases of government response



The journey through crisis will deal with three challenges



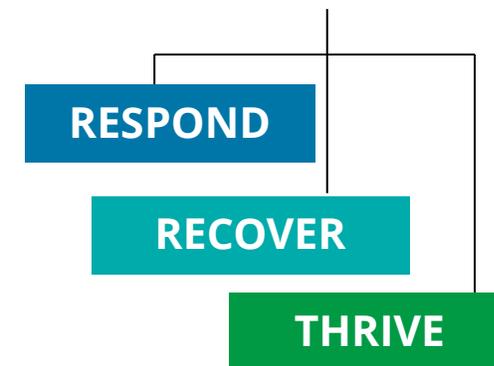
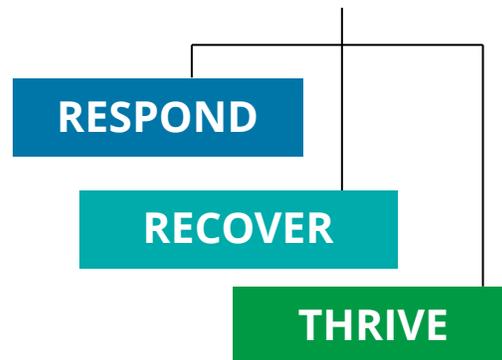
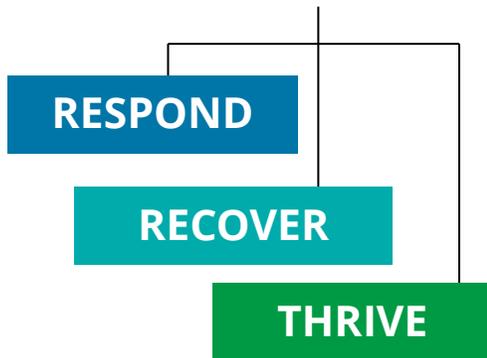
How do we address the health care crisis?



How do we address the economic crisis?



How do we keep “the business” of government operating?



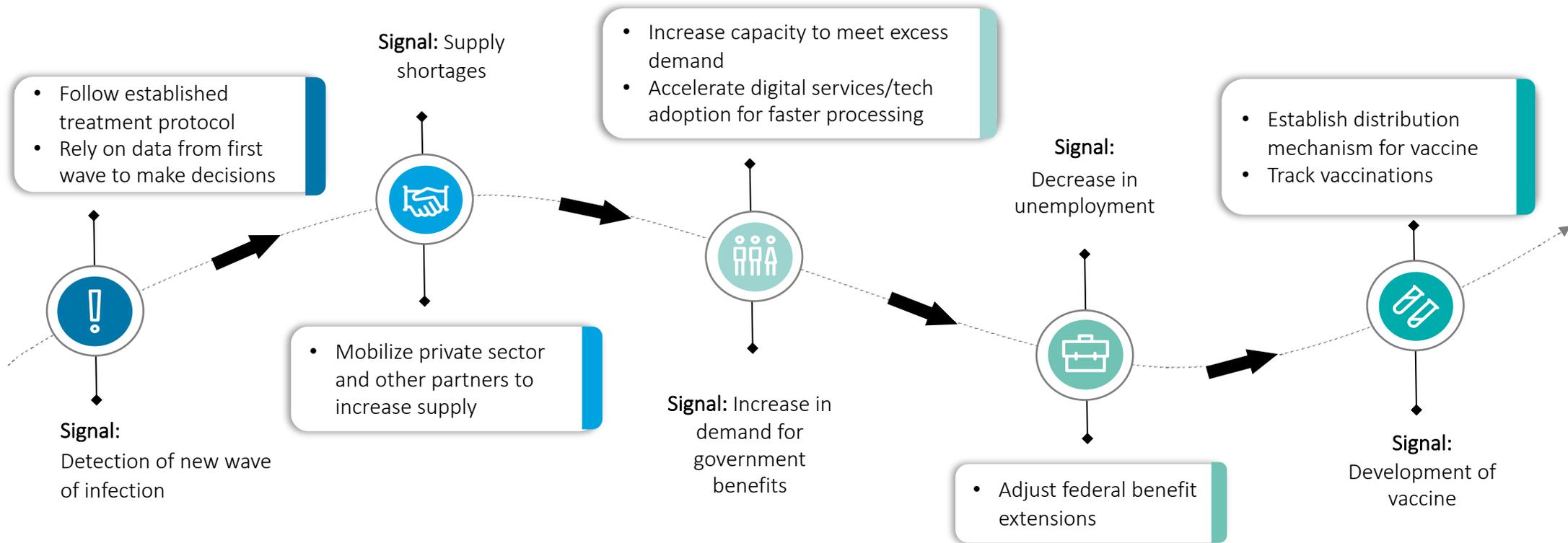
Government activities through the phases

How activities on various fronts will change over time

FRONT/ PHASE	RESPOND	RECOVER	THRIVE
Health care	<ul style="list-style-type: none"> • Flatten the curve (social distancing, etc.) • Boost health care system capacity • Test and trace • Overcome critical shortages (testing kits, masks, respirators, beds) • Provide information and guidance • Relax regulations to increase medical system capacity (tele-health, drugs, equipment, etc.) 	<ul style="list-style-type: none"> • Monitor for “second wave” • Support (with payment policy, review, triage) administration of vaccines and other treatments • Assess financial status of hospitals, health plans, and governments to stabilize health system with a view to future cost control • Support health care workforce post-crisis 	<ul style="list-style-type: none"> • Review and update health regulations • Implement new screening measures, such as smart security at airports • Put in place data infrastructure to track infectious diseases • Expand usage of behavioral insights to prepare for disasters and pandemics • Support future vaccination efforts
Economy	<ul style="list-style-type: none"> • Provide emergency financial support for individuals and businesses • Enhance unemployment benefits • Mandate industrial actions (closures, repurposing, hotels, and airlines) 	<ul style="list-style-type: none"> • Continue support for individuals, businesses, and government • Bail out or enhance support for particular industries (airlines, etc.) • Start stimulus spending • Initiate tax changes 	<ul style="list-style-type: none"> • Diversify supply chains • Implement new government-business protocols for strategic supply chains • Review strategic national stockpile • Target economic relief based on economic vulnerability indices
Business of government	<ul style="list-style-type: none"> • Surge capacity (due to increased demand for unemployment and social assistance) • Close offices/telework • Ensure public workforce safety (first responders, transit, IT, infrastructure) • Bolster IT and cybersecurity • Extend deadlines (tax, census, etc.) 	<ul style="list-style-type: none"> • Track and disburse recovery funds • Partially restart certain institutions • Address backlogs 	<ul style="list-style-type: none"> • Accelerate digital government • Implement universal digital ID • Enhance telework capability and define work rules • Improve social care • Improve data and anticipatory capabilities • Design systems for resilience

Governments must be adaptable as circumstances evolve, including heeding data signals that indicate a resurgence of the virus

The range of policy responses over time will depend on *signal* changes—changes in policy tools, such as sustainment/expansion or pivots, that could unfold based on economic, health, or demand shifts



Moving through the phases of the COVID-19 crisis

RESPOND

PHASE #1: RESPOND

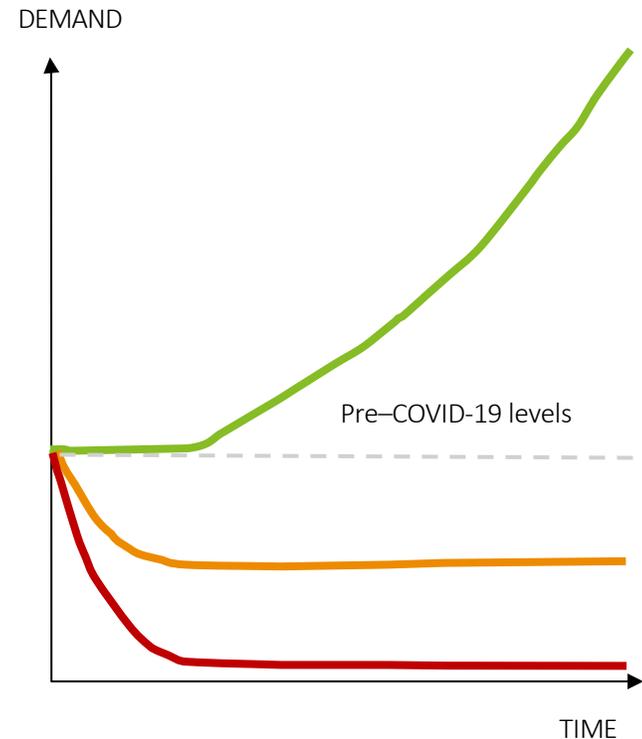
Even when guided by data, decisions will involve uncertainty

The COVID-19 response is especially challenging due to three characteristics that set it apart from most disasters:

- First, the crisis will unfold over an **extended period**—COVID-19 is a slow-motion disaster rolling out over weeks and months.
- Second, this is a **global disaster**; every region is affected, making it difficult to shift resources from unaffected areas.
- Finally, this novel RNA virus comes with a **high degree of uncertainty** regarding timing, spread, and ultimate effects.



Demand patterns in the respond phase



Demand surge: health care, government benefits, remote work, distance learning, telehealth, digital services, grocery shopping (physical and online)

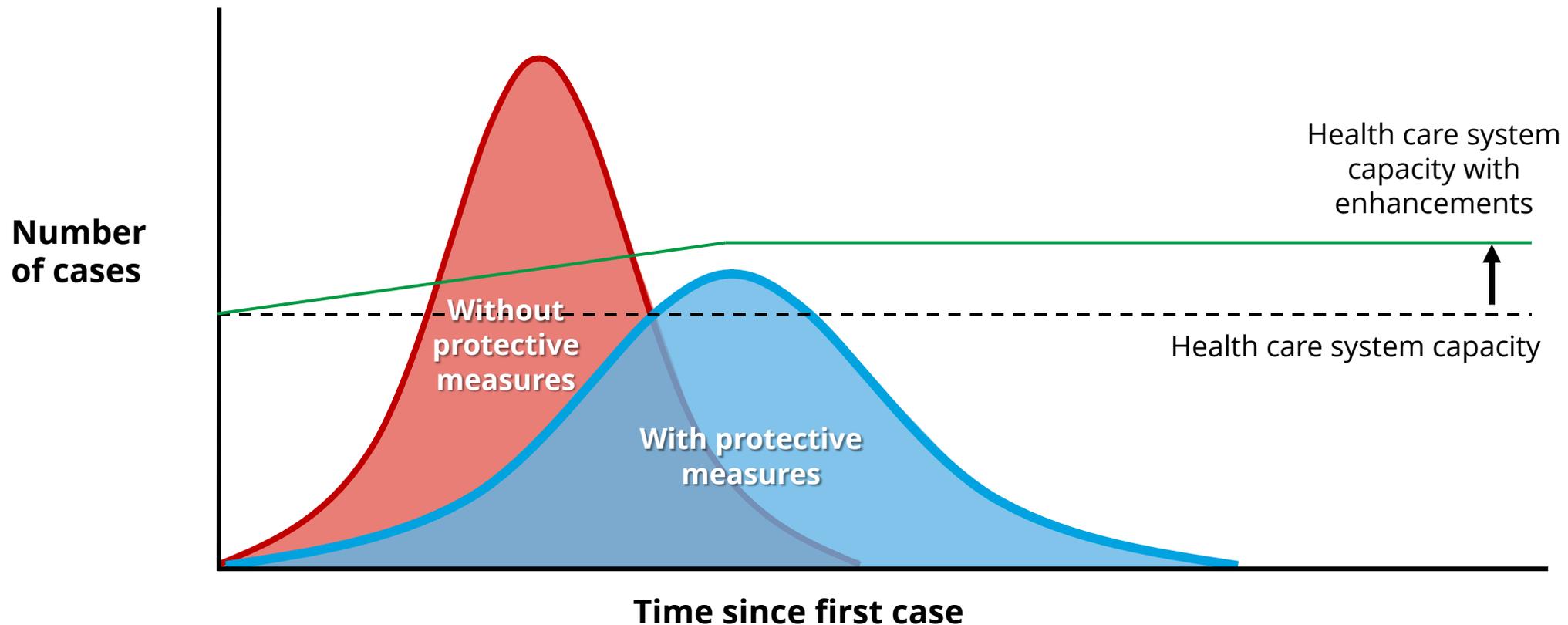
Partial shutdown/50% capacity: Restaurants (delivery + takeout), retail (online), government operations, schools

Effectively shut down: Airlines, bars, hotels, sports, gyms, elective surgery, dental care, personal care (e.g., salons), construction

Some of the ways in which the pandemic has altered various types of activities, from massive surges to near-total shutdowns.

Health care and flattening the curve

The goal of health care is to save lives. One way to do that is to slow the spread of the virus to prevent the pandemic from overwhelming medical capacity, and much has been written about “flattening the curve” through social distancing and other measures. But it may *also* be possible to **increase health care capacity over time**, by turning hotels into temporary hospitals, for example, or by shortening the time required for in-hospital treatment.



Health care: How to boost capacity



REDUCE NON-COVID-19 DEMAND

- Postpone noncritical medical procedures
- Divert patients to facilities/staff that are less critical (shift non-COVID-19 patients into alternative, lower-intensive-health-care facilities)
- Better triage of noncritical cases to weed out negative cases (aided by technology innovation)
- Take aggressive precautions in institutional settings such as nursing homes to reduce transmission
- Use virtual/telehealth solutions for initial screening

EXPAND RESOURCES

- Bring online new manufacturing
- Focus on most-constrained elements: least capacity and/or longest lead times
- Release stores
- Create new beds and spaces

USE AI AND DATA ANALYTICS

- Get right people skills to right place
- Make data input and retrieval easier, quicker, and more timely
- Use data to align supply with demand for key resources for a particular community (testing, food)
- Use AI to guide less-skilled people through tasks to free up key professionals (such as diagnosticians)

RESPONSIBLY RELAX CERTAIN REGULATIONS

- Make surgical ventilators available
- Delay "usual business" requirements
- Give states flexibility to bring more capacity (alternative settings, nonlicensed practitioners, telemedicine both for triage and care of non-COVID-19 patients) online

INCREASE SPEED

- Make testing faster to free up capacity
- Make recovery faster to free up beds, doctors, and equipment

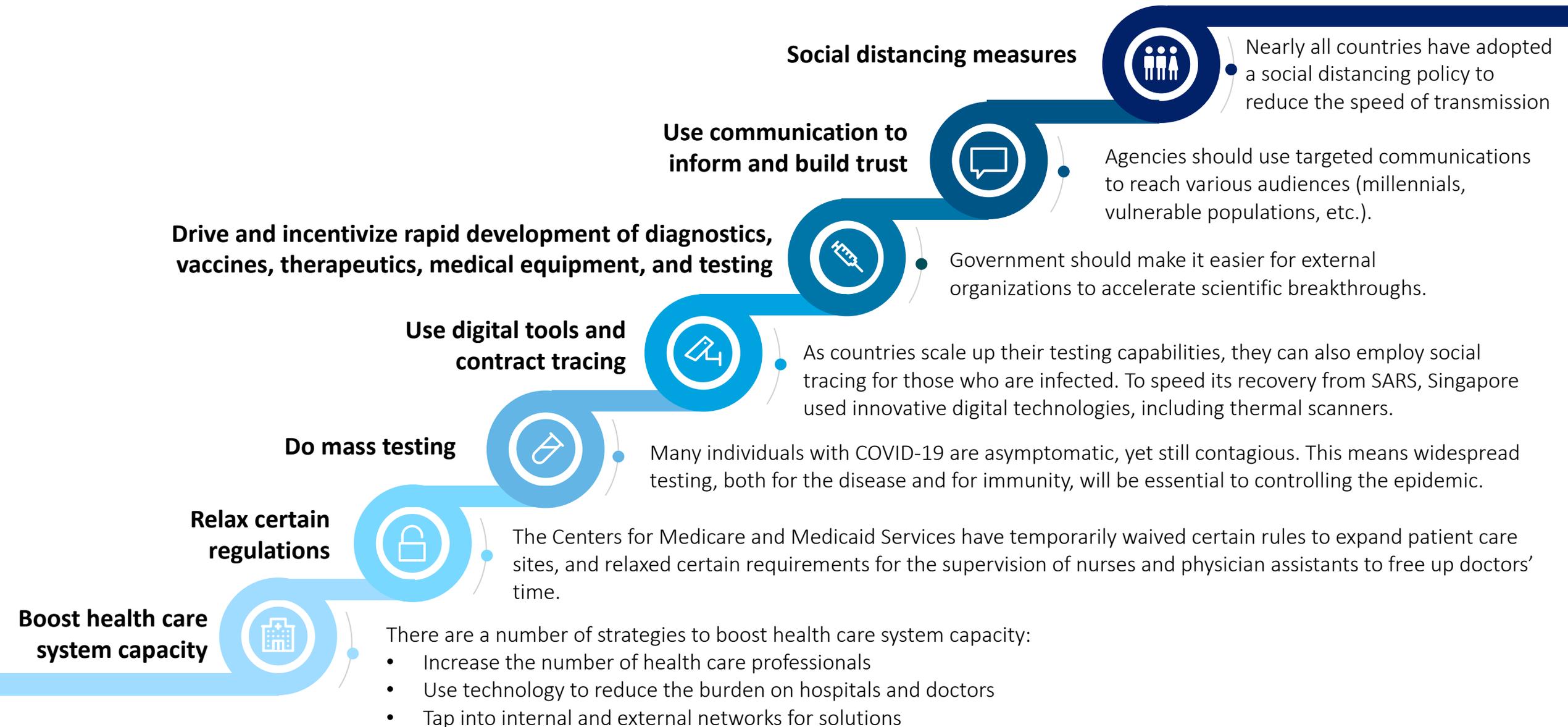
INNOVATE

- Start new processes (e.g., adaptive manufacturing of medical equipment supplies in Italy)
- Redesign for manufacturability and speed
- Repurpose available materials/equipment (e.g., snorkel masks in Italy)
- Explore effectiveness and safety of COVID-19 treatments with drugs that have proven safe for other conditions

MAXIMIZE AVAILABILITY OF EXISTING RESOURCES

- Shift activities that don't require a higher skill level to lower skill staff (similarly with equipment)
- Maximize personal protective equipment to prevent losing skilled people to illness

Boosting health
care system
capacity



The economic front



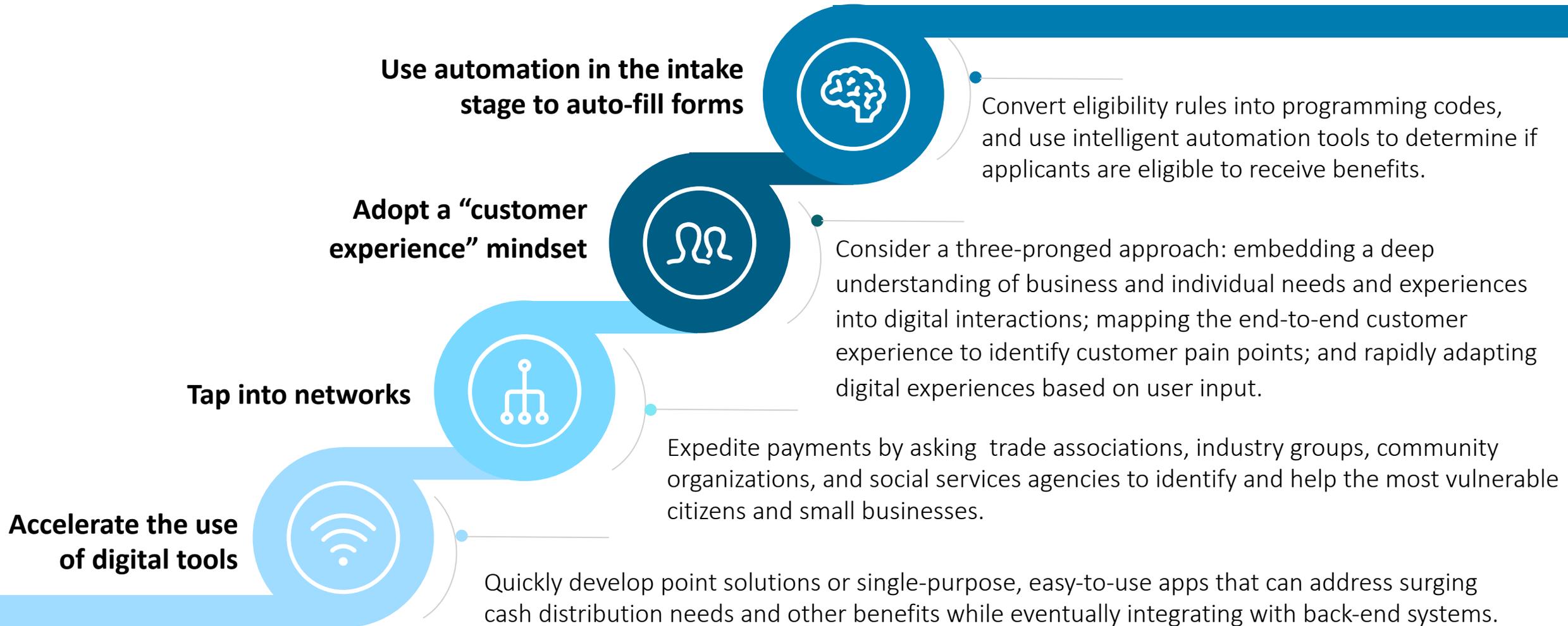
The immediate core challenge is getting cash into the hands of businesses and individuals through direct payments and loans. In the longer term, the challenge is restarting the economy and helping those most affected by the pandemic.

What governments are doing around the world on the economic front



Source: Kristen Holmes, ["Treasury secretary says Americans can expect stimulus checks to be direct deposited within three weeks,"](#) *CNN Politics*, March 30, 2020; Sangmi Cha and Hyonhee Shin, ["South Korea to pay families hundreds of dollars to ease coronavirus impact,"](#) *US News & World Report*, March 29, 2020; Joori Roh, ["South Korea to draw up second extra budget, give cash payments to many families as virus relief,"](#) *Reuters*, March 30, 2020; Government of Canada, ["Canada emergency response benefit – COVID,"](#) April 4, 2020; Government of New Zealand, ["Wage subsidy scheme factsheet,"](#) March 2020; Morten Buttler, ["Denmark will compensate private wages to avoid virus layoffs,"](#) *Bloomberg*, March 15, 2020; Jennifer Liu, ["New relief bill boosts unemployment insurance by \\$600 a week for gig workers, freelancers, and more,"](#) *CNBC*, March 26, 2020; BBC, ["Coronavirus: UK government unveils aid for self-employed,"](#) March 26, 2020.

Tools and tips for the economic front



The core business of government challenge



The *respond* phase requires a “two-gear” mindset, as some functions massively surge (emergency response, benefit programs, etc.), while some functions physically close down (licensing, library, etc.).

Core operational and policy challenges

Determining which functions need to operate, and which continuing operations require new protocols.



Mission review

Finances



Officials will, in many cases, have to simultaneously manage precipitous drops in tax revenues with surges in demand and, in some cases, massive infusions of money from central government.

The biggest experiment in “remote everything,” as telework, telehealth, and distance learning are adopted at scale, on the fly.



Remote everything

Worker safety



Many parts of government must continue to function in close contact with the public—and hence, with the virus.

IT is needed to support telework in an environment of increasing cyberattacks.



IT and cybersecurity

Provide the right information at the right time through the right channels



Leaders at all levels need to communicate as frequently as possible. Emails, chats, and texts can help, but video can help connect emotionally and build trust among a concerned and overwhelmed workforce.

Remote work



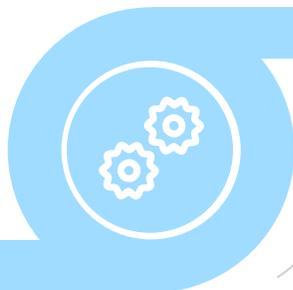
Leaders should be considerate to the need for flexibility in work schedules due to disruptions. They should pilot phishing drills to assess the readiness of the workforce against such attacks, and provide the workforce with guidance on cyber hygiene to minimize the probability of insider threats.

Virtual social care



Leaders should equip caseworkers with the required devices and virtual tools to process applications, assess eligibility, and deliver services online. On-demand training should be provided to caseworkers so they can provide high-quality social care to beneficiaries.

Adjust rules to meet the mission



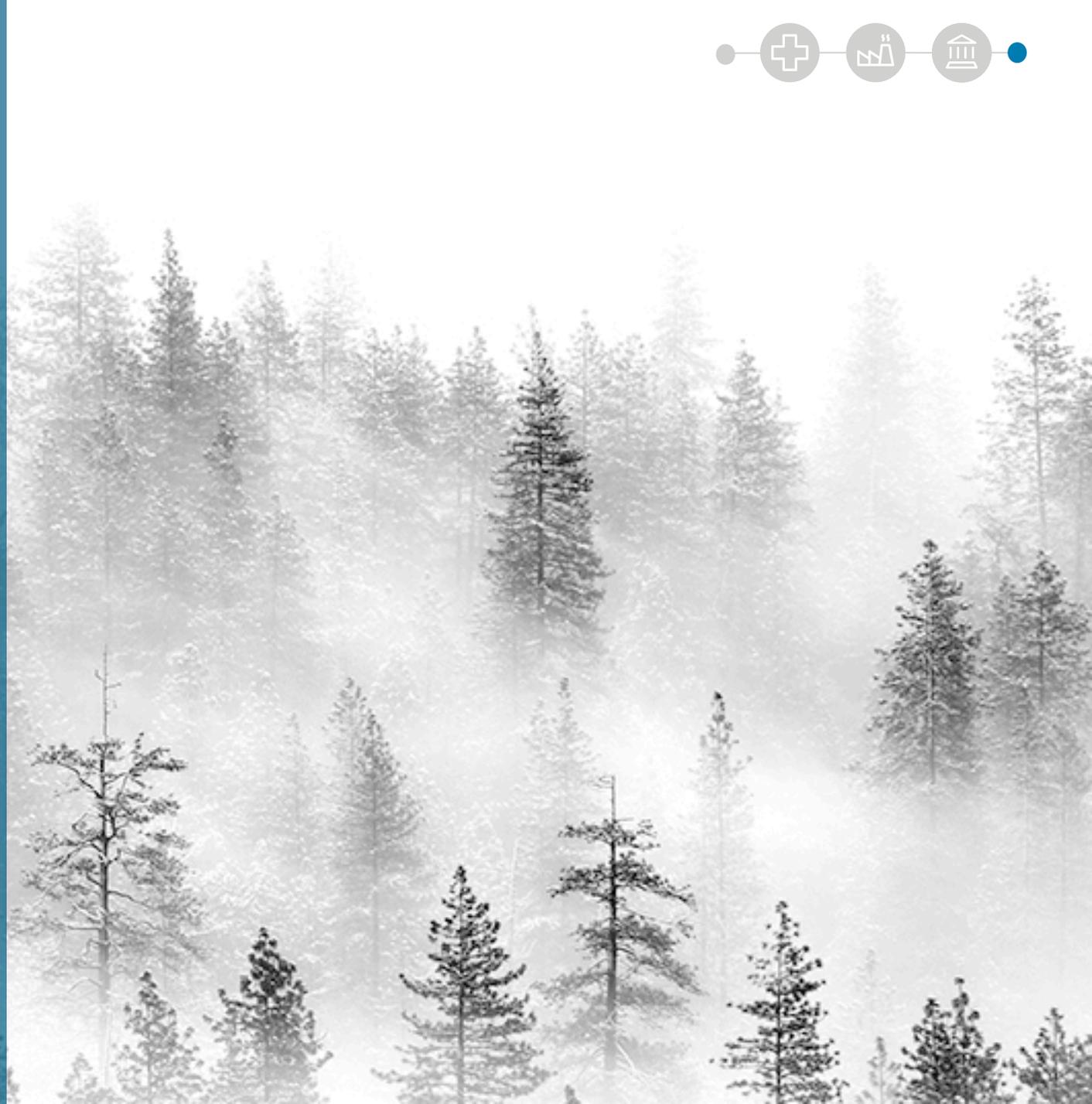
In crises, rules may actually work against the ultimate mission. Temporarily modifying rules may be beneficial. Procurement officials, for example, can tap into their toolkit to quickly staff contractors to ensure timely delivery of critical supplies and services.



Leadership in the *respond* phase

The current crisis requires leaders to take decisive action based on the best data available, even when incomplete—and be willing to pivot to reflect new realities.

Throughout the response, leaders must communicate clearly, consistently, and *constantly*. Citizens are more cooperative when they understand why they are being asked to take certain steps. Government leaders naturally have differing communication styles, but a “people-first” message, supported by the best data, can foster desired behaviors while discouraging those that will do harm.



Moving through the phases of the COVID-19 crisis

RECOVER

PHASE #2: RECOVER

Restore, learn, and emerge stronger

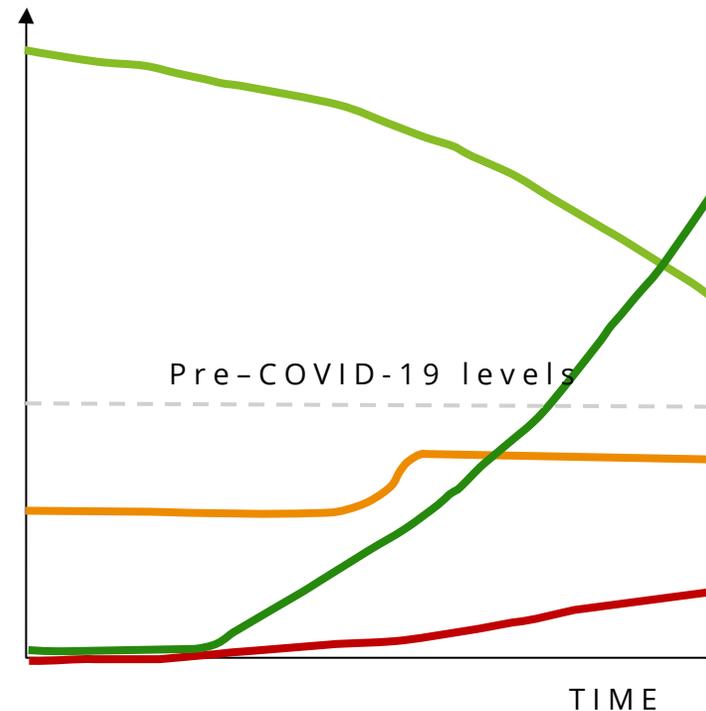
The *recover* phase will begin in the midst of economies facing high unemployment, an exhausted and depleted health system, plummeting tax revenues, and mountainous backlogs of demand.

- Governments themselves have been dramatically affected—from tax revenue plunges to significant risk for the public sector workforce.
- Recovery will be patchy. Different countries and regions will adjust their timetables to the virus. A second wave of infections could see countries in recovery forced to revert to *respond*.
- Different parts of government will restore operations as needed. When they do, many will face daunting backlogs.



Demand patterns in the *recover* phase

DEMAND



Surge in pent-up demand: elective health care, retail, nonessential government services. etc.

Demand begins to plateau/stabilize: intensive care, government benefits, remote work, distance learning, telehealth

Capacity gradually increased: Restaurants (delivery + takeout), retail (online), government operations, schools

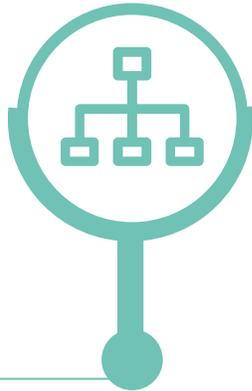
Gradual reopening with restrictions: Airlines, bars, hotels, sports, gyms, elective surgeries, dental care, personal care (e.g., salons), construction

Tools and tips for health care



There will be multiple health care challenges during the *recover* phase. These include monitoring for possible “second-wave” infections, and working with companies to develop, approve, and distribute new tests, treatments, and vaccines for the virus.

Scale mass testing for insights into immunity



Widespread testing can help gain statistical insights into community exposure and identify individuals who are immune. Those who test positive can be quarantined, and appropriate contact monitoring can be enabled. People with immunity and those who test negative for the virus could begin to resume a more normal way of life, including going back to work more rapidly.

Scenario planning can help governments become better prepared for a wide range of potential challenges during the *recover* phase. Taiwan’s Central Epidemic Command Center, mobilized to address the global outbreak, has a list of more than 124 action items, including identification of cases, quarantine measures, border control, and more.



Scenario planning

Target the most at-risk health populations



The focus should be on nursing homes and other hard-hit population clusters, and implementing practices to strengthen those health settings using strategies such as quality improvement, community paramedicine, and telehealth. Technology tools can connect friends and family to lessen the mental health consequences of isolation.

Now that many health systems have pivoted to rapidly set up virtual health capabilities, how can government help them scale? What will the new normal look like for payments? Government should review the risks and benefits of the temporarily relaxed regulations to determine which reforms should be made permanent.



Determine the next phase of virtual health

Tools and tips for health care



Enhance patient engagement for follow-up care



The use of virtual health and the Internet of Things may offer options to increase capacity for the health care system to attend to the long-term recovery of those patients hit hardest by COVID-19, such as those who were dependent on respirators.

Advanced workforce analytics and scenario planning can improve the ability to deploy and redeploy health professionals based on demand. AI and robotics can ensure routine COVID monitoring can be done by remote sensors or by individuals in their homes.



Develop sustained health care “extended workforce” strategies

Develop and scale treatments and a vaccine



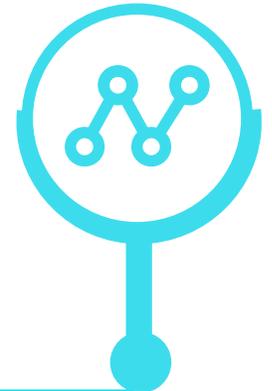
Scaling treatments that lessen the disease’s impact and tests for the disease, as well as tests for immunity to the disease, and preventive vaccines will all contribute to recovery. These health tools can allow government to safely restore economic activity.

Data analytics will need to continue throughout recovery to help prevent new outbreaks. Government will need to leverage an array of data tools from a variety of sources, including the private sector, to inform decision-making.



Leverage data from all sectors and sources to support decision-making

Create a platform to coordinate across government and sectors



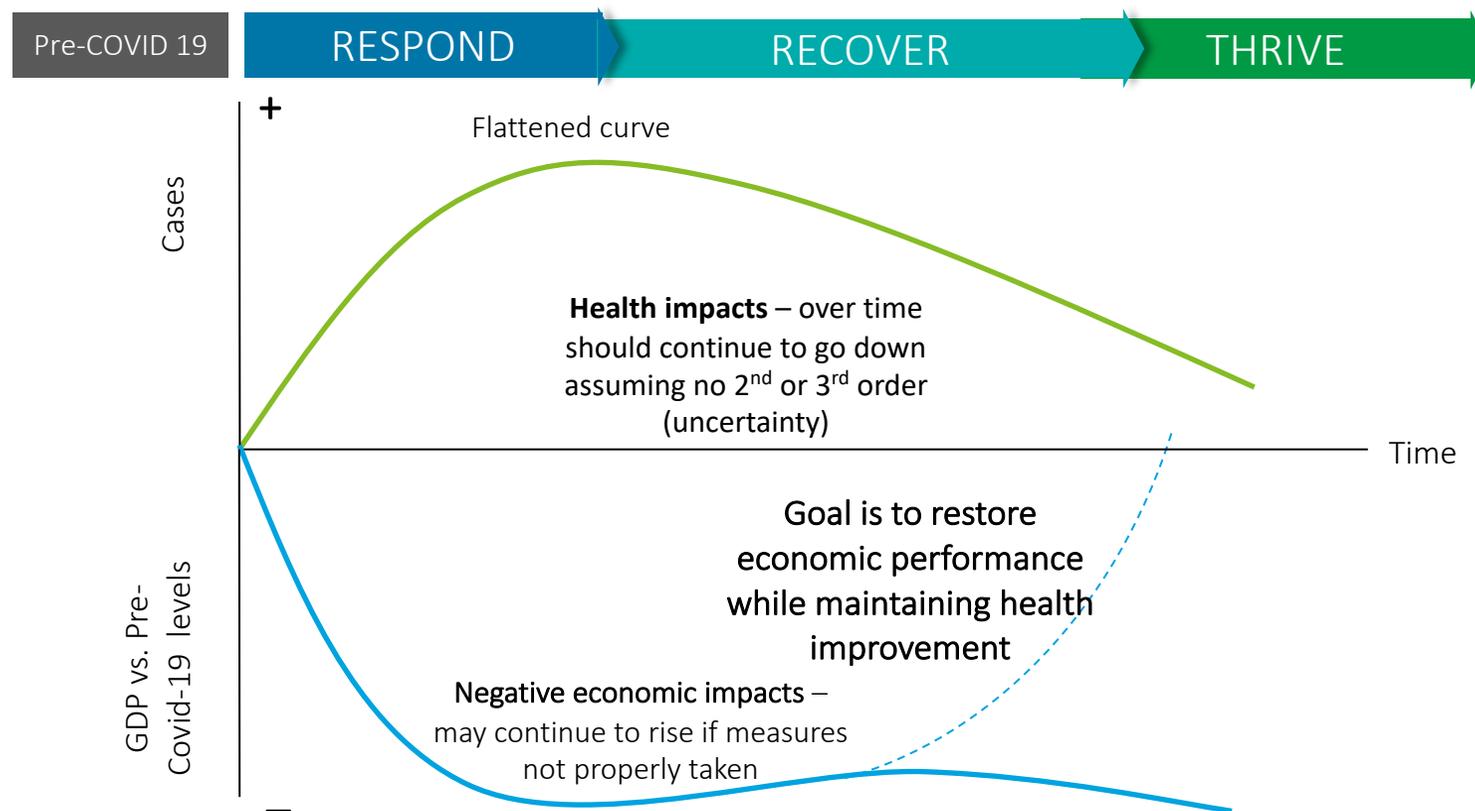
A holistic pandemic recovery requires the capability to coordinate across various levels of government, as well as health care providers, insurers, suppliers, industry, and academia.

The economic front



The core challenge here is restarting and rebuilding the economy—helping people who lost their jobs get back to work, helping businesses that were shut down resume operations, and helping governments that have seen demand increase and revenues drop.

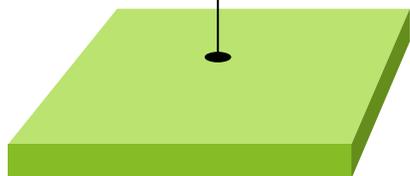
- In many countries, the *recover* stage will likely involve stimulus packages funding everything from physical and digital infrastructure to financial assistance for businesses and local governments.
- **Recovery on the health front is intertwined:** Until people can gather in groups to work, travel, and shop, any economic recovery will be limited (see figure). How do we speed recovery while limiting risk? *When* do we relax the rules? What restrictions still should be imposed on businesses and individuals? Should these restrictions differ by area and by industry?
- **Other challenges will involve stimulus projects.** What infrastructure projects will yield the biggest benefits? How can we limit fraud and abuse while getting money out quickly? How can we leverage government dollars with private capital to boost investment?



Tools and tips for the economy

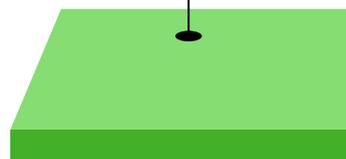


Use data to identify the hardest-hit areas



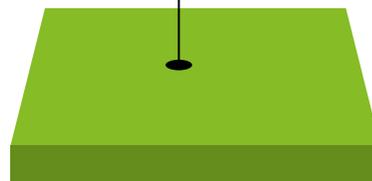
Virtually everyone has experienced the negative impact of this crisis, but some industries and some regions have been hit especially hard. It will be important to develop fair and transparent aid formulas supported by data.

Provide clear guidance for reengaging in economic and social activity



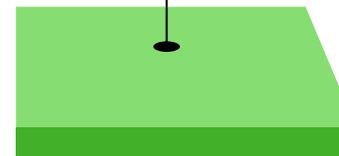
Many people will retain a fear of engaging in social and economic activity after the first wave of the virus has passed. Their willingness to engage will, in part, set the pace for economic recovery for many sectors. Public health authorities, working with NGOs, will need to break through the fog and provide clear guidance.

Conduct an industry/sector assessment



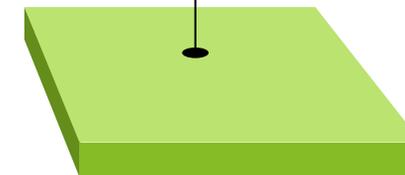
By analyzing various sectors of the economy against their level of COVID-19 vulnerability, governments could provide more precise guidance than mere “essential vs. non-essential” designations. Such an assessment could include the likelihood of widespread transmissions, ability to mitigate against such transmissions, and so forth, informing reopening decisions.

Engage private sector participation to revive certain sectors



In 2004, countries hit hard by SARS collaborated with industry to revive tourism and hospitality. Taiwan’s government collaborated with the private sector to target three primary sources of tourists—Hong Kong, the United States, and Japan—rolling out aggressive marketing campaigns for each. By the end of 2004, tourism numbers were growing at a healthy 8 percent per month.

Retrofit infrastructure and civic assets

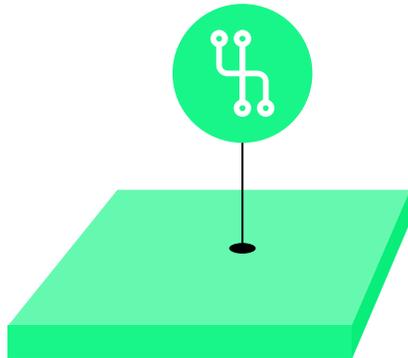


Airports, transit stations, and other infrastructure that handles large numbers of people may need temporary design changes, such as changes to seating arrangements, modified hours of operation, and enhanced cleaning protocols, to limit the spread of the virus.

Tools and tips for the economy

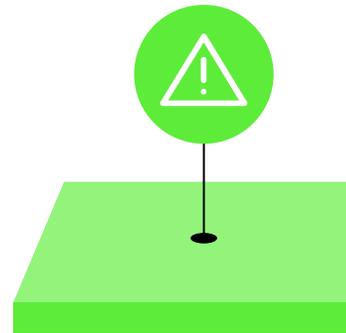


Use the power of networked government



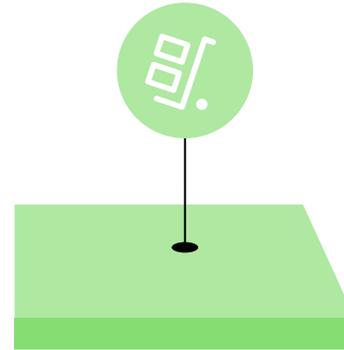
Recovery will require a collaborative effort with better integration of processes and data across agencies and departments.

Prevent fraud by design



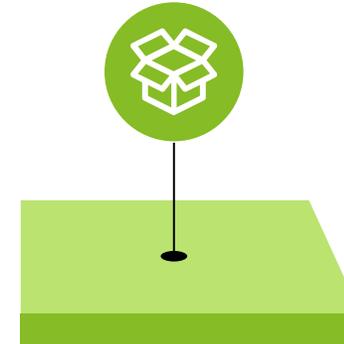
Designing distribution to prevent improper payments and the “pay and chase” cycle can free up resources for those who need truly need it. Fraud can be limited by leveraging digital processes and tools such as AI, data analytics, and nudge thinking.

Evaluate supply chain vulnerability



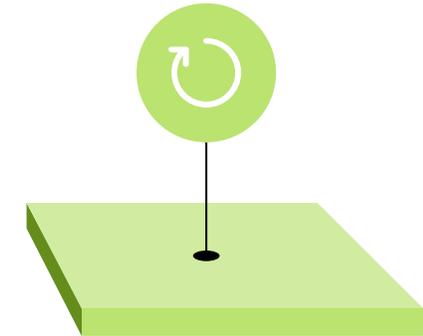
Evaluate supply chain vulnerability of food, supplies, medicines, and devices for life-saving care to global shocks. Run stress tests for different future scenarios, which could include subsequent waves of the pandemic or other global disruptions.

Provide open data



Agencies should provide data on procurement and financial support for evaluation by researchers and the public to increase transparency and trust. Open data also can improve program integrity and may reveal fraud and abuse.

Plan ahead for a potential second wave



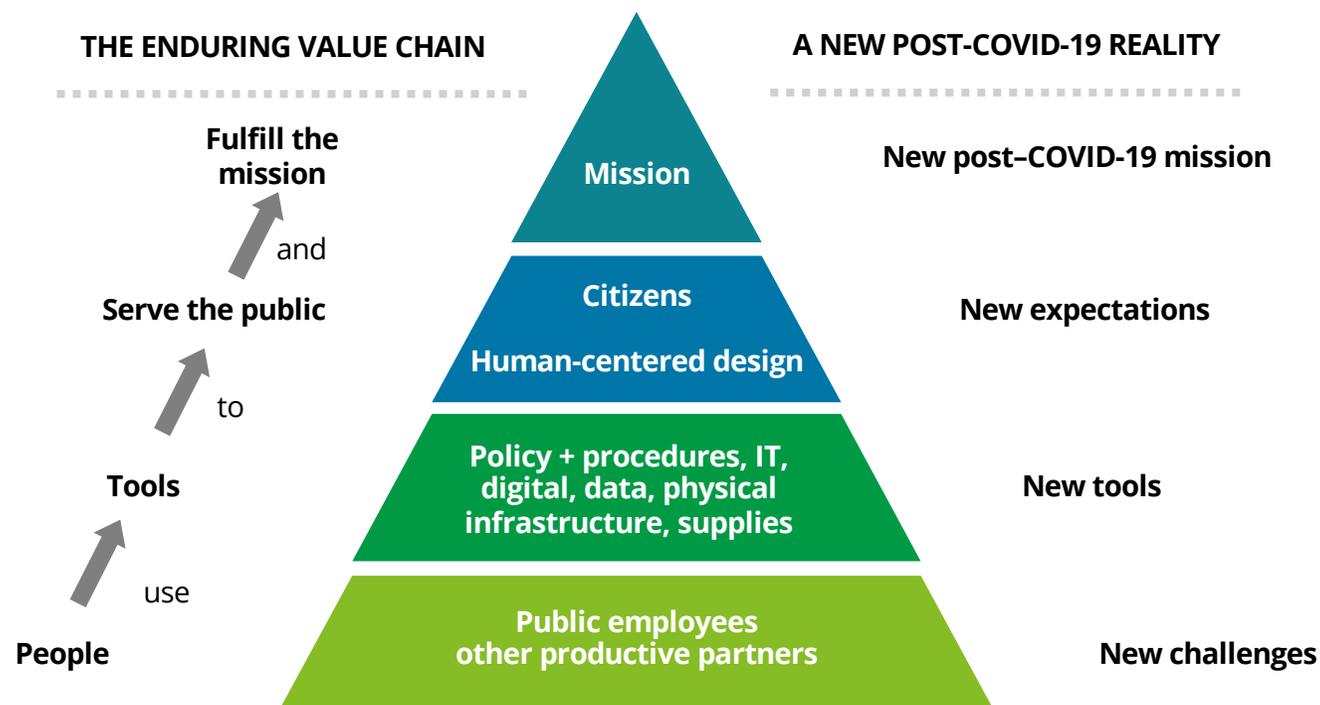
If the virus abates and then returns later in the year in different regions of the world, countries don't want to have to shut down the economy again. Testing and tracing on a massive scale—along with new therapeutics—could avoid that situation if well-prepared and rapidly and effectively deployed.

The business of government front



Every government agency has a specific and often unique mission. But all deliver value in the same way, which can be expressed in the mantra, “**People use tools to serve the public and fulfill the mission.**”

A mission-centric look at the next normal



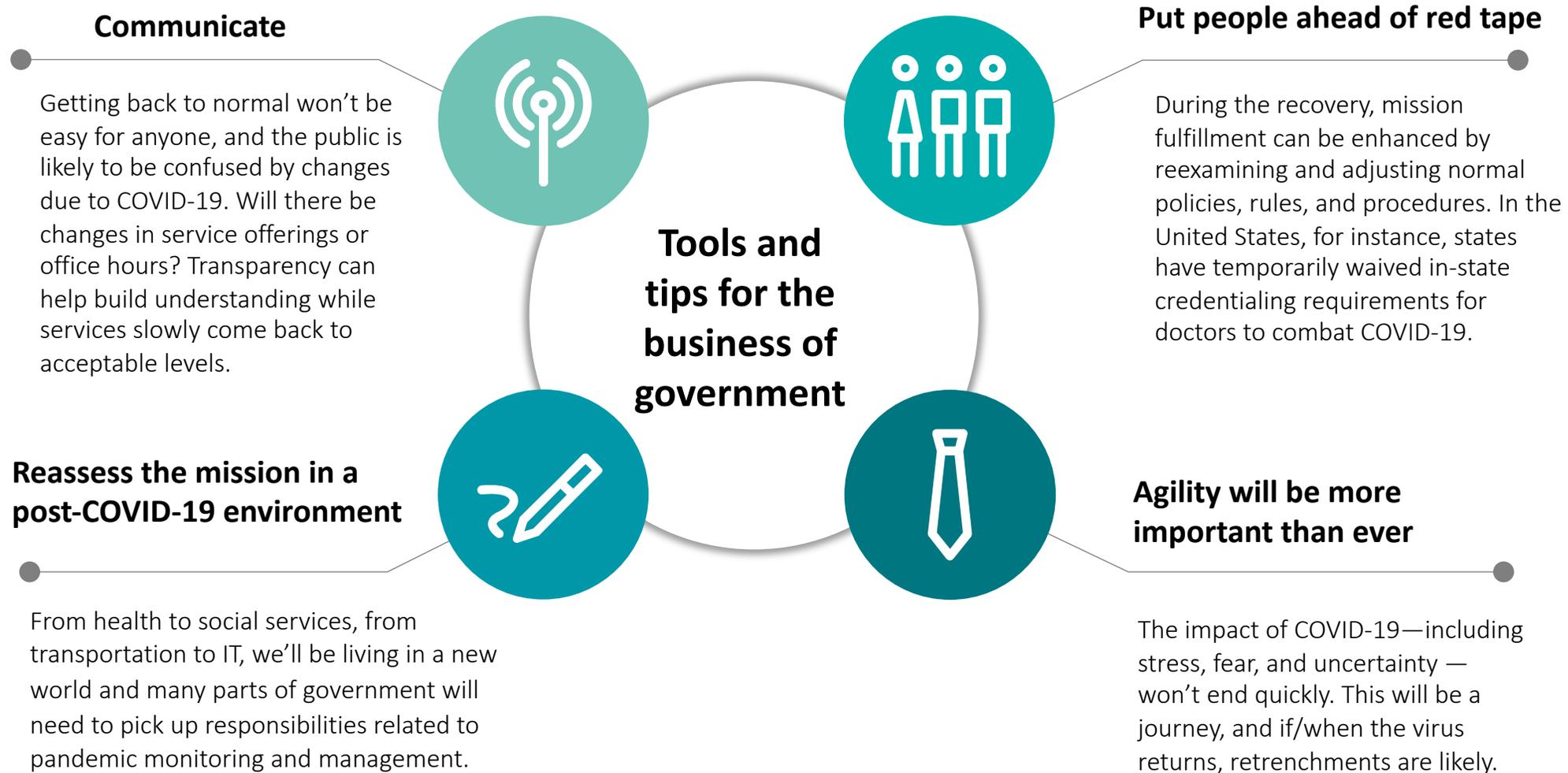
People: Management of public employees as well as other partners of government will be irrevocably changed. In the *recover* phase, the health and safety of public employees is likely to be an area of emphasis, as well as remote work.

Tools: The COVID-19 crisis has demonstrated clearly that rules and regulations that hinder public service should be altered or removed—quickly. We’ve also seen the importance of data and digital tools to adaptive government.

Serving the public: Expectations for service will only grow after the COVID-19 crisis. In the short term, governments must be able to sense and react rapidly to changes in the pandemic.

Mission: In many cases, government’s mission in a post-COVID-19 environment will be different.

Tools and tips for the business of government



Leadership in the *recover* phase

As the immediate crisis recedes and governments begin returning to normal conditions, our leaders' jobs will change. They'll need to focus on communicating across boundaries—between government and industry, between layers of government, and among various agencies. The self-interest of different players may be put aside during the crisis, but during recovery, political considerations and different interests will reemerge.

Government leaders will also play a critical communication role in cutting through the noise of social media, differing rates of recovery, and potential setbacks, to foster citizen confidence and trust that it is safe to reengage with the larger community. This trust will be essential to widespread recovery.

While the focus may shift toward the economy and the business of government, data-driven vigilance must continue to ensure that additional waves of the virus do not catch regions unaware. A dashboard of both medical and economic indicators, for instance, can help track progress throughout recovery.



Moving through the phases of the COVID-19 crisis

THRIVE

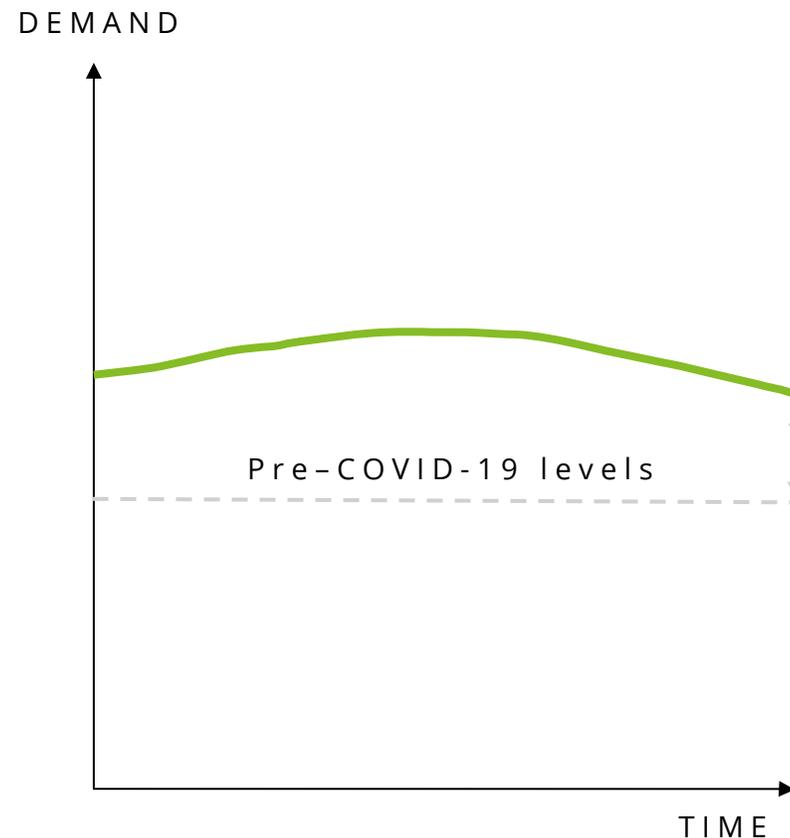
PHASE #3: THRIVE

Toward the “next normal”

- As the pandemic recedes and the economy recovers, the opportunity will arise to go beyond “getting back to normal.” Government can play a key role in moving to the *next* normal: operations marked by greater preparedness for any future pandemic and greater overall agility in delivering critical services.
- One reasonable expectation is that governments will use digital tools more often and in more comprehensive ways (see figure). Technologies such as AI, blockchain, and the cloud will become integral to government business and the way it interacts with the public. And greater use of certain technologies will make governments more resilient to any future crisis.
- The *thrive* phase will be much more about how government establishes a platform for future success in three fronts. The *thrive* phase is aspirational, imagining a future where government builds a platform for the future.



Demand patterns in the *thrive* phase



Accelerated demand for certain trends becomes the new normal: remote work, distance learning, telehealth, digital government services, cybersecurity, adaptive regulation, etc.

Five imperatives for resilient government during the *thrive* phase



Execution by network

A major calamity requires a network of problem-solvers. Tech companies, universities, research labs, and other experts can contribute to collective intelligence that exponentially increases the government's ability to mitigate a crisis. Such partnerships can help governments respond better to unfolding catastrophes.

Agility

Agility in the *thrive* phase focuses on longer-term flexibility and intentional change-making within government. It's about building skills that governments can deploy not only in a crisis but at *all* times.

Two-gear government

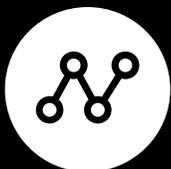
Governments emerging from COVID-19 will have to divide their resources, managing existing operations on the one hand while *also* exploring ways to improve future responses.

Anticipatory government

Data analytics, AI, scenarios, and simulations allow governments to target likely problems before they erupt and shift the focus from cleaning up problems to *preventing* them. Forecasting the consequences of "black swan" events such as pandemics will be a top priority for governments in the *thrive* phase.

Accelerated digital government

Digital services proved essential in the early stages of the COVID-19 crisis. As governments move into the *thrive* phase, they should focus on longer-term improvements to these services, with special attention to infrastructural gaps exposed during response and recovery.



Data: The foundation for resilient government

Without data, signals that lead to responses are never triggered. Without data, there's no shared understanding to align a network or guide resource allocation. Digital government not only creates rapid response capability but also generates the real-time data needed to enable anticipatory government.

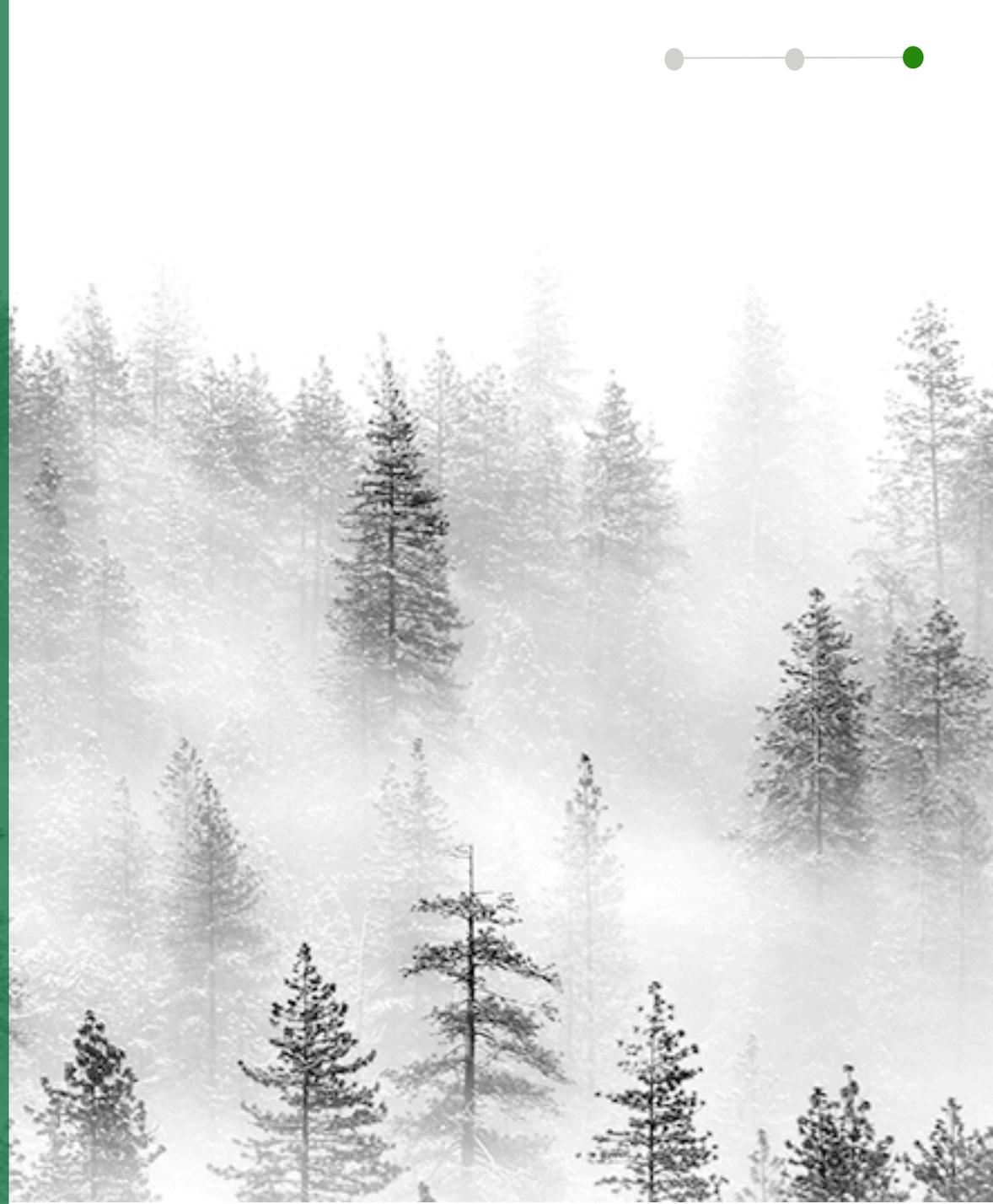


Leadership in the *thrive* phase

The health crisis is over, and the economy is stabilized. What now?

Leaders must embrace the long view and ensure that the opportunity to invest in resiliency and improve the public sector—that is, to better position it to deal with future crises—isn't wasted. We've seen numerous examples of governments using digital technologies to provide human-centered services to ease their path through the crisis.

In short, the more digital and citizen-centric the government, the better for those it serves.



Looking forward

The public sector has been the focal point of the fight against COVID-19: from mandating social distancing to building hospitals, to working with industry to deliver needed medical equipment, to delivering economic relief to impacted individuals. We have seen governments act decisively, belying the stereotype of the slow-moving bureaucracy. Governments have waived regulations and convened a network of scientists, companies, and universities to develop treatments and possible vaccines. We have seen countless examples of how quickly and decisively government can act in a crisis.

The journey ahead will not be easy. The economic turndown has decimated government revenues even as demand for services has soared. It is a triple crisis, targeting our health, our economy, and our governments. But government has the tools to guide the recovery through its inevitable phases: respond, recover, and thrive.





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