Business Continuity Management
With a zoom in on the health crisis response plan
An effective Business Continuity Management (BCM) program is a critical component of successful business management. Experience shows that typically over 50 percent of businesses without an effective business continuity plan will ultimately fail following a major disruption.

How to build or improve business continuity plans? Deloitte’s methodology allows the development and update of an effective BCM, with the following phases:

01 Analyze

Before an in-depth analysis or updating the recovery strategies, plans and procedures, a depth analyze phase should be performed on:

- The organization’s current state of preparedness
- The risk of continuity of operations (concrete scenarios)
- The impact on business, including the time it would take for adverse impact, the level of services and products acceptable to achieve the business objectives, etc.

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02 Develop or update

Develop or update the strategies for attaining the organization’s continuity goals and for anticipating outages and failures (disasters, scandals, pandemics, etc.).

The strategies should be defined based on the “Analyze” phase outputs and should consider people protection, brand and values protection, profit protection, but also the legal and regulatory constraints. The strategies should be built using a cost–effective approach and must pragmatically consider key resources to critical activities: people, ICT, suppliers, facilities.

Without a proper documentation ensuring a common language in case of a crisis, the recovery cannot be effective. Incident/crisis management, business continuity and recovery management processes and plans must be documented in each organization.
03 Implement

The strategies developed in the previous phase often require acquisition of resources, implementation of technical solutions and security measures, and negotiation of contracts. The efforts related to the implementation should not be underestimated. Exercises, testing and training are critical components of any Business Continuity Management program. An effective BCM can be run only if the people involved in the recovery activities understand it and if the exercises demonstrate its effectiveness.

04 Maintain & improve

Because of the continuous evolvement of risks and the evolution of the crisis situations, it is important to regularly review and update the BCM through a continuous improvement/quality assurance program.
Crisis response plan
An organization preparedness guide

Disruptive events can be:

- Natural disasters (e.g. fire, flood, earthquake)
- Cyber attacks
- Terrorism
- Geopolitical events (e.g. destabilised market)
- Health risks (e.g. pandemics, virus)

Here are some specific topics related to crisis management due to health risks:

01 What is the organizational impact?

- **Mass absenteeism:** e.g. employees who fear they may have contracted a disease may refrain from coming to the office, which results in a halt of critical business processes.
- **Loss of key personnel:** e.g. as a result of casualties, we may lose personnel in key positions, which could result in strategic uncertainty, reduced confidence and impact on business processes.
- **Affected suppliers or business partners:** e.g. the inability to procure critical resources, outsourced services or any supply-chain disruption could bring daily operations and processes to a halt.
- **Significant decline in market demand:** e.g. key markets, if affected, could see a demand slump in the short-to-medium-term, resulting in unsold inventory.
02 How to respond to a crisis?

• **Documented information:** having documented information, such as employee contact details, a crisis playbook and clear communication plan and templates, is crucial to respond to a crisis. The other BCM documents should also be present.

• **Response capabilities:** having the capability to respond to a crisis is another crucial part of the crisis response plan. This includes not only on-site medical assistance and preventive aids, but also incident/crisis management, business continuity plans and recovery management.

• **Communication:** the ability to efficiently communicate with employees, shareholders, customers through alerts and updates is an essential part of a crisis response plan. Managing communication with the different stakeholders, media and regulators is also a critical part of the crisis response plan.

• **Monitoring capabilities:** a crisis response plan must have strong monitoring capabilities. Efficient monitoring should include the monitoring of the external environment, of the updates on the recovery efforts (global and local), but also intelligence sharing with peers.

**Key components of a crisis response plan**

A crisis such as a pandemic outbreak can escalate quickly, crippling an organization’s business operations and threatening the life and safety of its employees. It is, therefore, imperative to have an effective crisis response plan, integrated in the Business Continuity Management, which includes:

**DOCUMENTED INFORMATION**
- Updated employee contact details
- Crisis playbooks
- Communication templates

**RESPONSE CAPABILITIES**
- On-site medical assistance
- Business continuity plans
- Preventive aid like masks, anti-bacterial wipes, etc.

**MONITORING CAPABILITIES**
- External environment monitoring
- Updates on recovery efforts (local & global)
- Intelligence sharing with peers

**COMMUNICATION**
- Staff advisories, alerts, updates
- Shareholder and customer updates
- Media management (social & print)

03 Examples of key actions to be taken immediately within the crisis management due to health risks

**Immediate actions:** Activate Crisis Command Centre (CCC) and set-up periodic status update calls with the Crisis Management Team, gauge the extent of exposure the crisis poses to the organization, notify employees and contractors, initiate awareness campaigns, review the Business Impact Assessments focused on mass absenteeism of employees and suppliers, invoke business continuity plans and recovery management, etc.