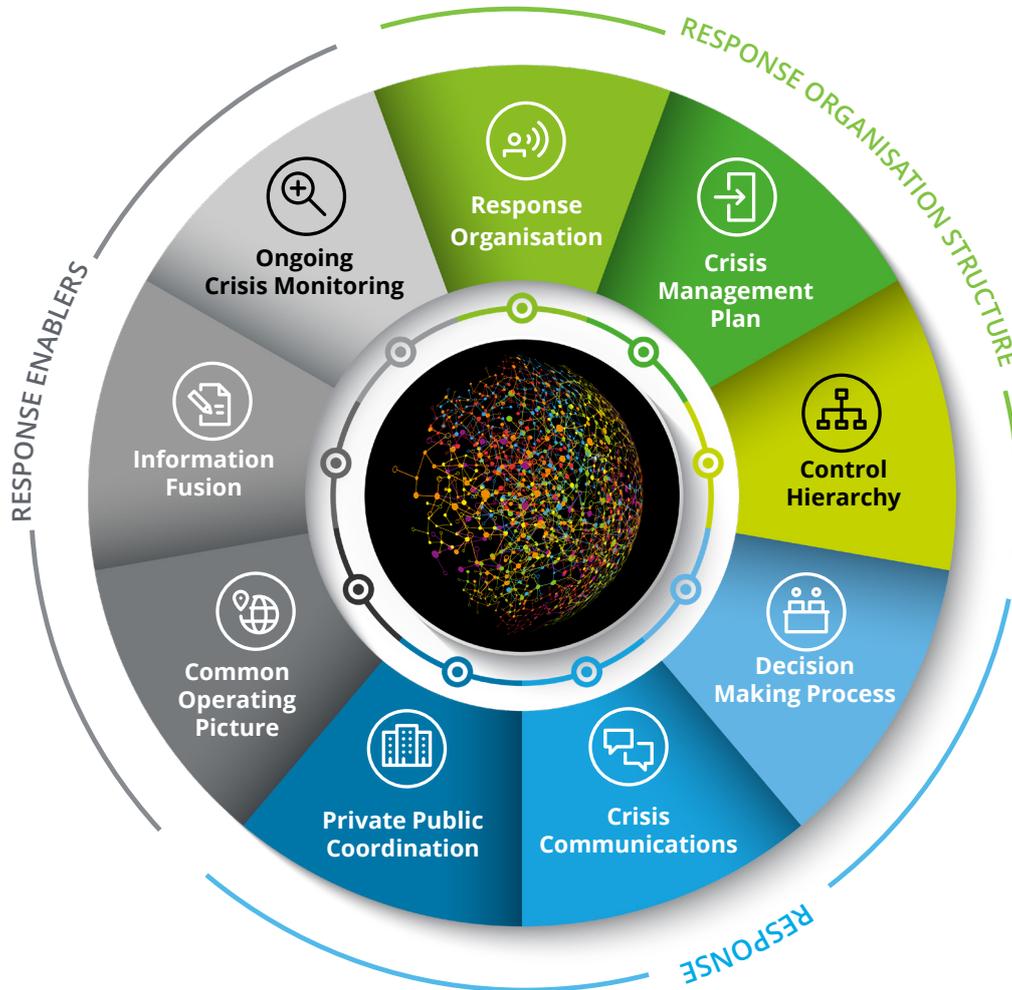


Crisis Management Framework COVID-19 Crisis Response Checklist



Today, organisations operate in a more volatile risk environment than ever before. Preventing all threats from materialising is not only implausible, it is simply impossible. As such, organisations need to be prepared for unexpected events, ranging from cyber security incidents, data breaches, mismanagement and financial misconduct to natural disasters.

The Covid-19 pandemic is a global societal shock which is unique to our lifetime. Many organisations have been under pressure to respond to the crisis, even those with established business continuity capabilities. Through our collective conversations with clients across industries, our continent and beyond, we understand that some organisations have moved immediately to response mode, without adequately activating crisis management capabilities through a formalised crisis command centre and crisis response plan. The greatest damage to an organisation often lies in unsuccessful management of the situation, rather than in the effect of the incident or crisis itself. A structured approach is essential in ensuring adequate governance and operating structures are established, crisis response resources and enablers are established, and the crisis management process is informed by complete and accurate data and insights.

Based on the Deloitte Crisis Response Framework, we have summarised key questions and considerations to support organisations in assessing the robustness and sustainability of their crisis response program.

We are here to support you every step of the way.

Response organisation structure



Response Organisation

● Criteria

- Has a formal Crisis Management Team (CMT) and Command Centre been established?
- Is the CMT actively managing all key aspects of the crisis?
- Does the CMT include key skills and knowledge to manage the crisis?
- Is there a formal succession plan for primary team members in the event they are incapacitated and/or not available to make time-critical decisions?
- Have you incorporated appropriate external resources and capabilities where skills / knowledge gaps have been identified within the CMT?

● Considerations

1. A crisis management team needs to be formally identified and defined
2. The crisis management team must not be reliant on only a few individuals, top management must be involved and deputies must be identified
3. The crisis management team must be responsible for decisions related to implementation measures during the crisis, including but not limited to:
 - Operating principles for responding to novel, unprecedented events
 - Draft, propose and coordinate response, triggers and escalation paths to minimise impact
 - Simulations and war games to stress test and rehearse response teams
 - Assemble relevant stakeholders to support event response (e.g. public relations, legal, risk, operations, human resources, health and safety etc.)
 - Map critical people, processes, systems, geographical, financial and other organisation dependencies
4. A clear succession plan must be in place
5. Alternative crisis management team members must be able to act and respond in a crisis event (acting in the same capability of the primary team member)
6. Formal role cards must be put in place
7. Accurate and complete contact details of the CMT is available
8. Command centre details are known to the CMT
9. A clear business-wide ownership of major incidents is required



Crisis Management Plan

● Criteria

- Is a formally documented Crisis Management Plan (CMP) in place?
- Has the CMP been reviewed and updated to account for the current crisis?
- Does the CMP incorporate detailed procedures and are these procedures being applied by the crisis management team?
- Have crisis management tools and templates been designed to support the CMT and are these being utilised?
- Are all key stakeholders aware of the CMP and procedures contained within the plan?
- Have clearly defined management controls been incorporated into the CMP?

● Considerations

1. Establishes clear ownership and roles, so no key activities are overlooked
2. Ensures all key functions are accounted for in the crisis management response
3. Creates protocols and templates, allowing smoother communication among crisis team members
4. Provides overview of resources and tools needed by the team
5. Identifies others important in the process (i.e. the link between the CMP, the Business Continuity Plan (BCP) and Disaster Recovery Plan (DRP))
6. A crisis management battle box provides a central repository for all key documents, tools templates, procedures etc. (i.e via SharePoint / Clearview App)
7. The entire CMT are able to access the CMP at short notice (Ideally it should be part of the battle box) "

Response organisation structure



Control Hierarchy

● Criteria

- Has a clearly defined control hierarchy (response structure) been established, identifying responsibility and accountability for decision making at all levels of the organisation?
- Is there a clear understanding of the authorities and responsibilities that each level has within the crisis?
- Is the crisis currently under control across the organisation?
- Have key external entities that exercise control over aspects of the crisis been identified and are they being actively managed (e.g., government, investors, and bond holders)?

● Considerations

"The Control Hierarchy should carefully select the assigned individuals to critical roles, noting that seniority does not mean that an individual has the right skillset to manage a crisis. The crisis management plan should:

1. Have an appropriate hierarchical structure
2. Have an escalation framework that underpins entire crisis management capability
3. Define authorised decision making at different levels of impact for multiple escalation routes, including senior leaders to have authority to make critical decisions during high stress periods (with adequate checks and balances)"

Response



Decision Making Process

● Criteria

- Have the Crisis Command Centre governance structure and operating models been formally defined?
- Has a formal decision-making process been defined to support decisions made by the CMT?
- Are decisions being made on an objective basis, incorporating all points of views of the CMT and other key stakeholders and timeously communicated to all levels of management?
- Are processes and resources in place to capture real-time information to enable initial decisions and subsequent adjustments?

● Considerations

1. Not making decisions in a timely manner can decrease the effectiveness of a crisis response
2. Effective responders can make effective decisions despite the stress and lack of information
3. It is important to have a formalised approach to decision making so that the organisation can respond in a consistent and cohesive manner in order to reduce the chaos of a crisis
4. A formal process can enable more efficient and decisive actions by having all of the necessary stakeholders involved in the process



Crisis Communications

● Criteria

- Has a structured approach to managing communications response been developed, with clear responsibilities and accountabilities?
- Has a formal crisis communication plan and process been established as part of the crisis management program?
- Are crisis communication protocols being followed?
- Are all stakeholders with a communication role coordinating messaging?
- Is messaging and communication controlled with an established cadence, or is the organisation reacting ad hoc to requests from external stakeholders?

● Considerations

1. Controlled and organised process for communicating internally and externally avoids miscommunication and confusion and supports more agile and consistent messaging.
2. Dedicated media spokesperson(s) identified for the organisation to ensure external communications meets the communication protocols
3. Dedicated human resource staff identified to take care of internal communication
4. Adequate management of the media during crisis will reduce speculation and conjecture about the situation and deliver the important message that the organisation has 'taken charge' of the crisis and is capable of addressing it.

Response



Private to Public Coordination

● **Criteria**

- Is there a formal process to coordinate public sector involvement in the event that the situation threatens the health of the public or a large scale event extending beyond the boundaries of your organisation?
- Does the CMT understand the public sector's role in responding to the crisis and the organisations' engagement that is required with the public sector?
- Are there established relationships with relevant public sector groups that you are proactively managing?
- Have regulatory implications been adequately considered and are controls in place to ensure compliance?
- Have formal process and procedures been established to coordinate public sector involvement?

● **Considerations**

1. Important to avoid misalignment on expectations by being aware of how various public sector agencies will respond in a crisis situation
2. Public sector involvement can change everything about how the response is managed and/or the public engaged
3. Public sector involvement can alter the organisation's decision rights
4. Public sector could expect the client to perform certain duties during the crisis"

Response enablers



Common Operating Picture

● **Criteria**

- Has the CMT defined a common operating picture of all crisis dimensions across organisations (e.g. crisis value chain)?
- Has the strategic, financial and operational risk universe been defined based on the impact of the crisis across the organisation?
- Have the strategic, financial and operational implications on the organisation been defined and are these being measured on a regular basis?
- Is there a formal process in place to capture, track, and record information for financial, legal, regulatory, media purposes?
- Is there a formal process in place to capture, track, and record information in accordance with CMT requests?

● **Considerations**

1. Are you monitoring the event around the clock and communicating updates, including liaising with other business areas already monitoring for threats
2. Do you have adequate resources and tools to monitor the crisis 24/7
3. Do you have the ability to interpret voluminous, disparate and disordered data relating to current response efforts and external factors
4. A single and consistent view of information, reported on a regular basis, allows:
 - Leaders to have the most complete understanding
 - Team members to make decisions and communicate more effectively
 - The team to understand the level of confidence for what is known and unclear



Information Management

● **Criteria**

- Has a crisis situation reporting dashboard been defined and updated on a regular basis?
- Is there a formal process in place to capture, track, and record information to highlight key decisions required from the crisis management team to facilitate prioritisation of tasks/resources?
- Has a central data repository been established and maintained with appropriate access by the CMT?
- Are there established channels to monitor and source relevant information and the capacity to analyse and interpret the relevance of information?

● **Considerations**

1. Efficient information handling enables better decisions and clearer communications during a crisis since the team is working from the best and most accurate source information
2. Efficient information handling enables clients to look back to understand the basis for decisions made during the crisis
3. Information collected provides an official record for any retrospective activities

Response enablers



Ongoing crisis monitoring

● **Criteria**

- Are crisis events being monitored on an ongoing basis, and updates appropriately communicated to key stakeholders?
- Are key financial and operational controls being monitored on a regular basis, to mitigate against increased risk profile as a result of the crisis (e.g. cyber, fraud, operational performance, payments, procurement)?
- Have adequate resources and tools been implemented to monitor events, risks and controls on an ongoing basis?
- Is the Board receiving independent assurance over the effectiveness of the crisis management program from Internal Audit or an external assurance provider?

● **Considerations**

1. Proactive monitoring of reactions is key to taking decisive, timely actions to minimise the potential fallout
2. Information is always evolving and thus information must be continuously updated for informed and accurate decision making
3. Leading practices from public and private organisations must also be continually incorporated into the crisis management plan

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