Business Continuity in the Covid-19 Era

Chloe Demrovsky
President & CEO
Disaster Recovery Institute International (DRI)
ARISE Member
A little about DRI

Our Mission
DRI International is the non-profit that helps organizations prepare for and recover from disasters. We achieve this through education, accreditation, and thought leadership in business continuity and related fields. Founded in 1988, we are the oldest and largest nonprofit organization serving resilience professionals.

Our Vision
DRI International strives for a more resilient world.
Nearly 100% of Fortune 100 companies employ DRI Certified Professionals

Our community continues to grow:

We have certified 15,000+ resilience professionals around the globe

Nearly 40% of our Certified Professionals live outside the United States*

*Americas: 6%, Asia and Oceania: 12%, Canada: 16%, Europe, Middle East and Africa (EMEA): 5%, U.S.: 61%
Perspective on Covid-19 Pandemic

- Pandemics are a national security issue
- Public-private partnerships are essential
- Social trust is at record lows
- But we trust our employers
- Time to show that trust is earned

Source: Edelman Trust Barometer
What is Business Continuity Management?

Holistic management process that identifies potential threats to an organization and the impacts to business operations those threats, if realized, might cause, and which provides a framework for building organizational resilience with the capability of an effective response that safeguards the interests of its key stakeholders, reputation, brand and value-creating activities. (International Glossary for Resilience/ISO 22301)
Pick Your Players

• Get the right team together and identify your goals
• Be realistic. This is not business as usual right now
• Identify core business competencies to make judgment calls with limited information
• Leadership direction must come from the most senior levels
Form a Steering Committee

- Operations
- Finance
- Human resources
- Information Technology
- Legal
- Identify a business continuity planner!
Understand Your Risks

• Identify the current or potential risks that can adversely affect your organization
  • **Covid-19**: can you continue to operate if 35-40% of your workforce is out sick?

• Don’t stop there:
  • **Cyber**: Work from home opens you up to cyber vulnerabilities and other technical challenges
  • **Natural disasters**: National Oceanic and Atmospheric Administration (NOAA) Climate Prediction Center predicts an unusually severe flood season in the U.S.
  • **Social unrest**: Covid-19 will exacerbate underlying problems, elevate risk of strikes, riots and violence

• Once you have a list of risks, rank them by likelihood that they will impact you
  • This process is known as a **risk assessment**
Resilience professionals report pandemic as the #12 top risk to their organizations in 2020.

Source: DRI International Trends Report
Analyze the Impact

• Identify and prioritize your organization's key functions and processes
• Which ones will have the greatest impact if they aren't available?
• **Covid-19:** many of us are currently testing how well we operate without access to our facilities for a prolonged and unknowable period of time
• Analyze the findings to identify any gaps between your requirements for continuing service levels with minimal disruption and your current ability to deliver those requirements
• This process is known as a business impact analysis
Focusing on effects, impacts, consequences

Effect categories

Facilities
- Fire
- Flood
- Bomb scare
- Pandemic: SARS, H1N1, H5N1
- Terrorism
- etc.

Business or Operational
- Supply chain
- Process error
- Transit/labor strike
- Pandemic: SARS, H1N1, H5N1, Covid-19
- etc.

Technology
- Network problem
- Application error
- Hardware failure
- Virus
- Power problem
- etc.

Organization
- Merger and acquisition
- Succession
- Intellectual property issue
- Audit issue
- Financial problem
- etc.
Devise a Strategy

• Use your analysis to decide on a plan of action
• Come up with practical, cost-effective strategies to reduce the deficiencies you identified during:
  • The risk assessment
  • The business impact analysis
• You've identified what is at risk and how it will hurt your business
• Now go through and brainstorm how to minimize those risks with the information and resources you have at hand
For More Information

The Professional Practices for Business Continuity Management:

1. Program Initiation and Management
2. Risk Assessment
3. Business Impact Analysis
4. Business Continuity Strategies
5. Incident Response
6. Plan Development and Implementation
7. Awareness and Training Programs
8. Business Continuity Plan Exercise, Assessment, and Maintenance
9. Crisis Communications
10. Coordination with External Agencies
Covid-19 Takeaways to Consider

**Money**
- Cash is king during a crisis. Protect cash flow to ensure you have a cash runway.
- What expenses can be cut? Check your receivable position to see what you can collect.

**Time**
- This will not be over in two weeks or a month. This will continue for some time.
- Come up with moderate and severe scenarios.
- Monitor to see how your indicators track against the scenarios and adjust accordingly.

**The New Normal**
- We won’t go back to the way we were.
- Business will have to adjust.
- Supply chains will change.
- Do you have a plan for how you reactivate and adjust your business?
- Think about that now.
Reopening our Economies

• Businesses will have to show they have adequate safety measures in place when they reopen
  • Health: Testing and contact tracing, personal protective equipment (PPE), temperature checks
  • Humanity: Healthcare privacy, mental health, anxiety, childcare, discrimination

• Customers are going to demand not just assumptions of safety but visible steps and measures that companies are taking
  • Physical: visible cleaning, common spaces shut, social distancing, staggered shifts, phased reentry
  • External considerations: visitor policies, limited access, public transportation, support functions

• Shutting down businesses was difficult. Reactivating them is going to be harder
  • Legal: when do we reopen, legal protections and liability concerns
  • Governance: Alignment with sometimes conflicting guidelines from international/national/local health authorities
Leadership during the Covid-19 Pandemic

- Show your human side and always express empathy
- Act decisively and be bold in your decisions
- Be reliable with your actions and tell the truth even when it’s hard
- Remain calm in your demeanor and communicate more than you think you need to
- Multiply your leadership by training and empowering your team
Lessons from the Spanish Flu