Business Continuity Planning and Management Amid COVID

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Session Focus Points

What will we cover during this session?
• Where BCP lives in your organization
• COVID and continuity of operations
• Differences between business continuity planning, disaster recovery, and crisis management
• Business continuity and crisis management strategies
• Resources for business continuity planning
COVID and Operational Continuity

What happened?

• January 2020 – first reports of contact with mystery illness within U.S. boarders (Washington)
• Public’s perception was of a mysterious illness that sickened what was believed to be an isolated incident related to overseas travel (China)

COVID and Operational Continuity

• February 2020: person-to-person transmission identified in California
• China’s full swing pandemic was consuming the supplies that Americans were now in need of and many of these items were manufactured in their country
• Keeping our employees safe in the U.S. was now going to be a challenge
COVID and Operational Continuity

- **March 2020:** President Trump issued a proclamation declaring a "National Emergency" as it relates to the Novel Coronavirus Disease (COVID-19) Outbreak
- **Now:** Day-to-day operations, as we know them, are in a state of emergency through this national declaration
- Catastrophe has arrived in the driveway or it's just up the street headed to interrupt

How did COVID-19 impact "our" housing operations? Well……..
- We now have a Business Interruption
- Public Health Emergency
- Pandemic

What's the plan?
COVID and Operational Continuity

- We didn't know any more than the media provided
- Our leading health professionals were often conflicted
- We were really in the dark on "clear" direction for maintaining healthy business environments that support our operations

COVID and Operational Continuity

- What parts of our businesses did you think you need the most for operations to continue?
- What resource did you identify as your first go-to in order to keep your doors open?

Human Resources

“People”

COVID and Operational Continuity

- Most of us thought that we would be in and out of this new, yet unique, life-altering experience within 30-60 days
- However, the wave of business fallout kept growing as infections were being identified
COVID and Operational Continuity

• What was the first business resource affected?

Human Resources

“People”

Organizations asked themselves a multitude of concerning questions:
• How can we continue to do business during these times?
• Do we have a BCP?
• Can we come up with a plan?
• Do we have what we need?
• Where do we get the supplies needed for safety?
• How do we get through this?

Most housing organizations had “NO PLAN!”
• ........Specifically for this type of business interruption
• Some organizations modified what few plans they had
• Some organizations began “winging-it”
• Some organizations played follow whoever had something that resembles a plan
COVID and Operational Continuity

Triggers of COVID related operational interruptions may have included, but were not limited to:

- Employees sickened
- Employee death
- Employee unable/unwilling to work
- Unable to collect business income (rents)
- Office staff infections (high)
- Discontinued vendor services
- Acquisition of supplies ("supply chains" broken)
- No procedures to safely engage customers

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COVID and Operational Continuity

- There was not and is not an instant fix for business operation interruptions
- Assess and Analyze
- Planning
- Training

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COVID and Operational Continuity

Business Continuity Planning and Management is the most efficient way to ensure critical business functions are maintained by an organization.
Benefits of Business Continuity Management:
• Ensures the well-being of employees and those served by your organization
• Ensures the continuation of key business activities
• Minimizes business impacts

Benefits of Business Continuity Management:
• Ensures timely return to stable operations
• Protects your organization’s reputation
• Helps to avoid unnecessary legal liabilities
• Avoids the incident from escalating into a company disaster
Business Continuity Management

Key Elements of Business Continuity Management:

• Crisis response and management – stabilizing the situation and preparing the business for recovery operations

• IT disaster recovery – recovery of critical IT assets

• Business recovery planning – recovery of key business activities providing core products or services

Business Continuity Management Process

Where does BCP Management live in your organization?
Business Continuity Management

- CFO
- CIO
- CISO
- CRO
- Environment, Health, & Safety

- Finance
- External Relations/Communications
- Facilities
- Internal Audit

Business Continuity Management

- Compliance
- Human Resources
- IT Division
- Legal
- Risk Management

"In Transition/Nowhere yet"

Business Continuity Management

- Documented and tested procedures will ensure that an organization does not experience unacceptable interruptions in any of its key business activities, even in the event of a catastrophic event ("Disaster")
Business Continuity Management

- **Business Continuity Plan (BCP)** – Strategically written document designed to keep critical operational functions within your organization running during a period of one or more unplanned interruptions of normal business operations.

Engaging The Business Continuity Process

Planning, Doing, Checking, and Acting

Plan → Do → Check → Act → Plan
Before you have an operational crisis or true business interruption, you can determine:

- WHO
- WHAT
- WHERE
- HOW
- WHY

The only thing you don’t know is WHEN!

…..And you must believe there will be a WHEN!

Planning

- Initiate the BCM program
- Gain management support
- Develop a BCM policy
Planning

Business Continuity Management Team Structure
- Individual accountability
- Steering committee
- Crisis management team
- Response teams
- Information technology team

Doing

Various Components of "Do"
- BIA and Risk Assessment
- Crisis Response and Management
- Business Recovery Plan
- Exercising and Testing
Doing

Business Impact Analysis
• Identify and evaluate potential impacts of business interruptions that the organization may encounter

Doing

Review outcomes of a Business Impact Analysis:
• Understanding business activities and processes

• Understanding the relationships/dependencies of business activities with respect to internal and external clients and business outputs/deliverables

Doing

Review outcomes of a business impact analysis:
• Understanding the time sensitivity of business activity downtime

• Identify recovery objectives and prioritizing business recovery
Identifying key business activities

- Review mission statement and annual reports
- Company surveys to gain input
- Employee interviews

*Define the impact by department and the enterprise"
Doing

Frequency

Magnitude

High magnitude, low frequency = catastrophe (e.g., affects entire organization)

Activate BCP in full

Doing

- Complete a risk assessment
- Identify new risks and review ongoing business risks that could lead to an interruption
- Understand and be sure to put controls in place to address risk assessment outcomes

Doing

Crisis Management

- A segment of business continuity
- Assembled and executed as a part of the plan
- Aids organization's response to those situations that may adversely affect profitability, reputation, ability to operate
Doing Crisis Management

• The goal of crisis management plans are to protect people and assets of your organization, as well as ensuring the organization’s survival

• The plan should outline how you will control the situation, coordinate response and recovery efforts, and communicate

Doing Engaging in Crisis Management

• Initial Response and Assessment
  • Take immediate action after an incident
  • Assess business impact
  • Protect assets
  • Document procedures

Doing Engaging in Crisis Management

• Communication Strategy
  • Detect and monitor incidents
  • Internal and external parties
  • Pre-recorded phone message with vital information
  • Emergency personnel
  • Assure availability of means of communication
Engaging in Crisis Management

• Communication Strategy
  Media Communication:
  • Stay on message
  • Positive, concise, truthful, compassionate
  • Understand the power of social media
  • Maintain contact – "No comment" says a lot
  • Debrief employees

• "Keep it Simple"
  • Utilize written checklists
  • Create written outlines
  • Have a template to follow

Which members of your organization should interact with media during a crisis?

Only the designated spokesperson(s)
What is a disaster?

An internal or external incident which disrupts normal business operations for an unacceptable period of time.

Examples may include:
- Loss of critical business systems
- Loss of main office facility
- Loss of key staff

Precipitous events may include:
- Civil unrest
- Pandemics
- Weather events (i.e. hurricane, tornado, earthquake)
- Wildfires
- Active shooter (VA Beach Municipal Center)
Doing

As a part of your business continuity planning, you must design a "Disaster Recovery Plan".

Business Disaster Recovery Plan
- Outlines temporary actions the organization will take to resume prioritized business activities
- Core of the Business Continuity Plan

Doing

Business Disaster Recovery Plan
- Name and description of key business activity
- Key staff involved
- Priority level
- Recovery time objective
Doing Business Disaster Recovery Plan

• Resource dependencies

• Vendors

• Recovery procedures

Doing Business Disaster Recovery Plan

• Recovery strategies:
  • Redirect phone calls and mail
  • Shift workloads
  • Document and prioritize backlog

Doing Business Disaster Recovery Plan

• Information technology (IT) disaster recovery:
  • Backup site
  • Recover systems
  • Restore data
Doing

Business Disaster Recovery Plan

• Recovery plan must be developed and maintained by IT personnel with adequate experience and knowledge

Remember:
The purpose of the Business Continuity Plan is to maintain critical business functions during potentially disastrous interruptions, and be able to return operations to pre-event productivity

Testing and Conducting Exercises
q Evaluate procedures
q Reveal weaknesses and identify areas for improvement
q Reveal gaps in resources and communication
q Clarify roles and responsibilities
q Regulatory compliance
Doing

Methods of Preparation
- Seminars
- Workshops
- Tabletop exercises
- Simulations
- Drills

Checking

Evaluation and Review
- Establish on-going processes for evaluating plan effectiveness
- Conducted annually
- Results and recommended actions communicated to management
Actioning

Actions should include continuous improvement and program management.

Actioning

Be sure to:
- Revise procedures periodically
- Update plan contents regularly
- Distribute updates to all stakeholders
- Maintain high levels of responsibility and accountability
- Vigilantly oversee (critical)
Acting

• Always conduct post-event analysis
• Look for lessons learned
• Strive to make improvement where weakness has been identified

Session Recap

What did we cover?
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Questions?

For access to the BCP Tool (Non-HAI Group Members):
Visit the Nonprofit Risk Management Center
at www.nonprofitrisk.org

For access to the BCP Tool (Members):
Visit the HAI Group Risk Management Center
at www.housingcenter.com

For additional risk management tips:
Visit the HAI Group Risk Management Center
at www.housingcenter.com

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