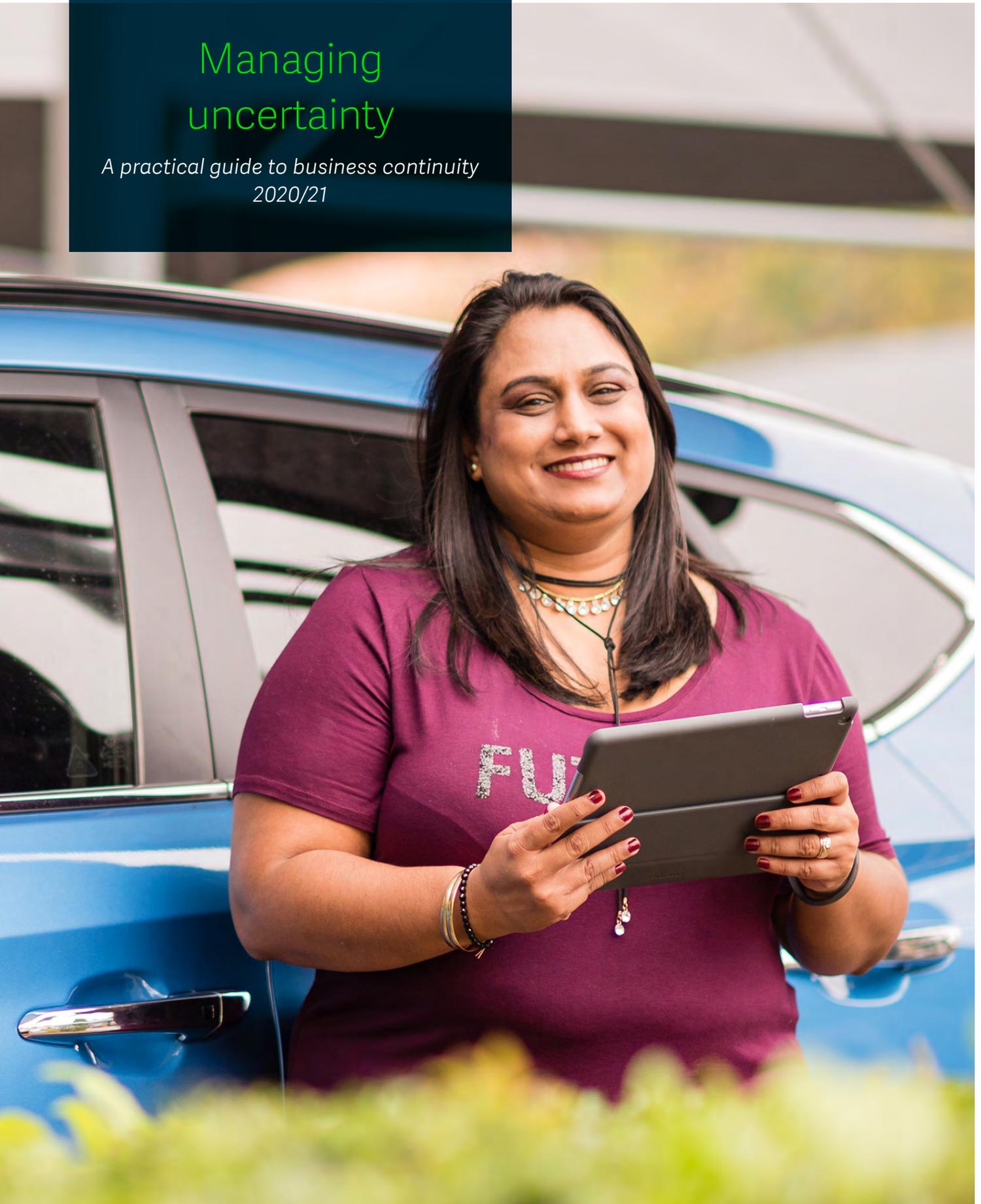


Managing uncertainty

*A practical guide to business continuity
2020/21*



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Introduction

How is your business continuity plan coping in the coronavirus climate?

No doubt it is under strain, and like most businesses throughout the world, you are being challenged to adapt and pivot plans in response to unprecedented circumstances.

The effects of coronavirus are seismic and unique, and industries across the board are under pressure to convert traditional business models to digital-friendly ones and to drive performance regardless.

The somewhat frustrating benefit of hindsight tells us that incident planning for such 'black swan' scenarios are a stark lesson for businesses in 2020 – but how is this kind of future-proof plan achieved?

In this guide, we offer advice that will help you to solidify a plan. One which will assist in predicting the unpredictable and respond quickly and effectively to disruption in the future.



Support and enable employees during the pandemic

According to growth and development strategist Tripp Braden, collaboration must underpin your response to business disruption.

Bringing people together leverages individual and organisational strengths in new ways to mitigate issues and stoke morale.

A business continuity team, then, is an obvious way to spark strong leadership and unite to solve problems.

How to build a business continuity team

This first-response team should represent the best people from different parts of your business.

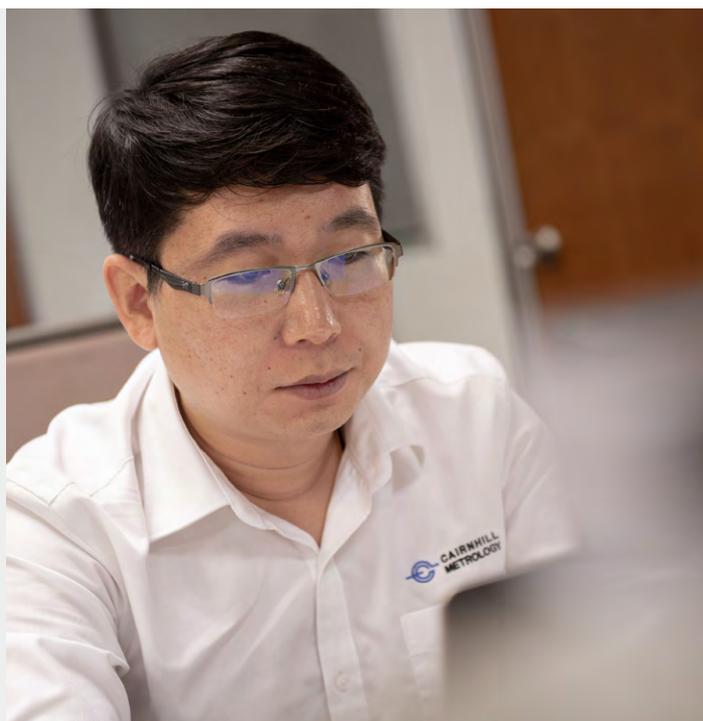
Make sure that those chosen to be part of the team have detailed and specific knowledge of each of their domains, in order for you build a clear picture of the entire organisation with no gray areas.

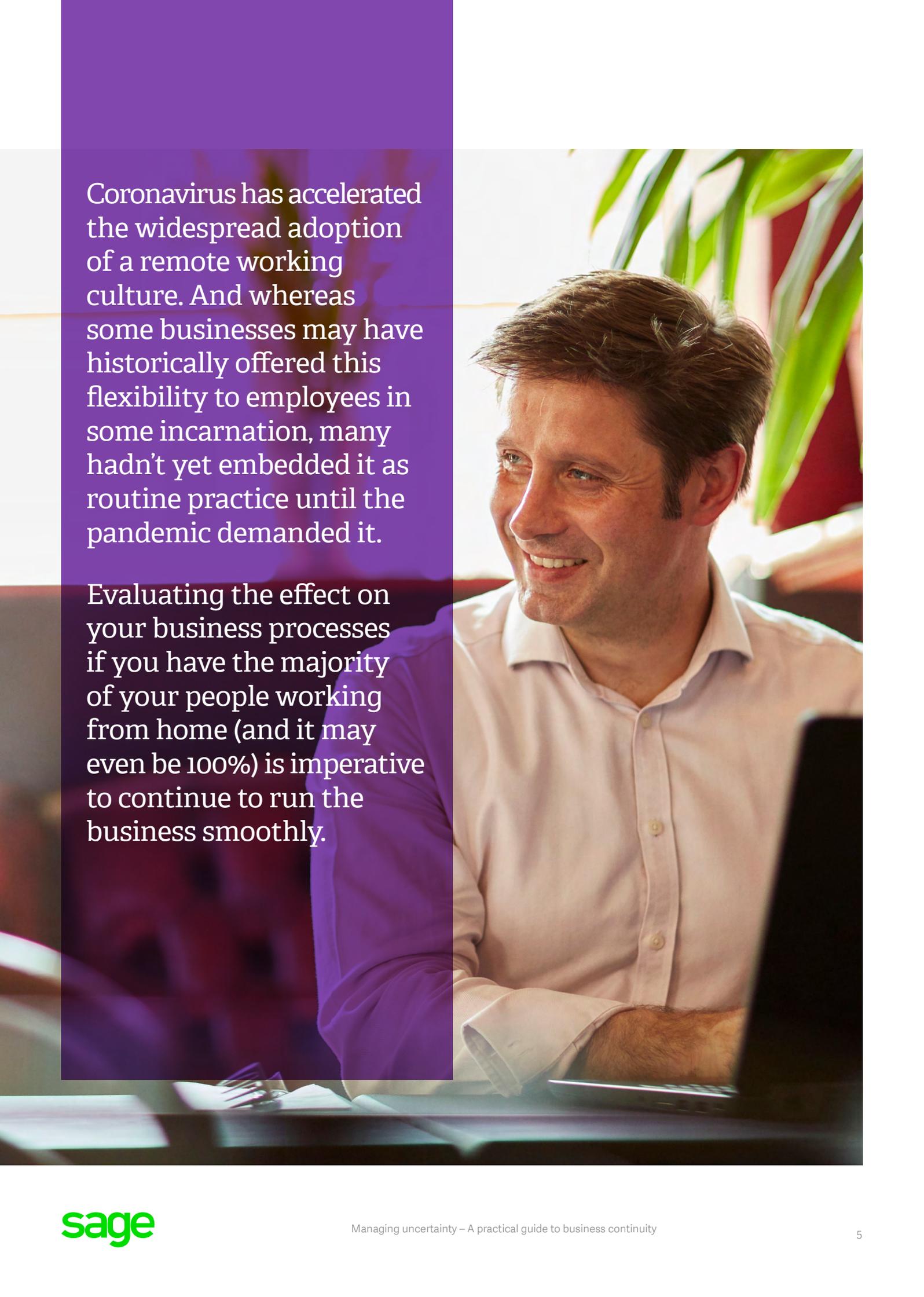
Do consider the benefits in selecting team members who aren't necessarily in management positions. Arguably there is valuable insight and connection to be gained from engaging with those working on the front lines of the business, troubleshooting and innovating on a day-to-day basis.

Characteristics and experience are important factors to weigh when considering which individuals are best suited to dealing with conflict as part of this role. An effective business continuity team will be skilled and prepared to respond to a wide range of emotions from employees and during a public health event such a coronavirus, be knowledgeable, proactive and empathetic when team members contract sickness or have to quarantine.

Tips to improve communication during uncertainty:

- Leverage technology to create communication hubs
- Look for informal opportunities to talk with others
- Check-in with your stakeholders to ensure messaging is understood, helpful and meaningful
- Express appreciation and respect for others when they share opinions that may differ from your own
- Learn how to constructively disagree without intimidating or silencing others
- Update people regularly, even when there isn't much to be shared





Coronavirus has accelerated the widespread adoption of a remote working culture. And whereas some businesses may have historically offered this flexibility to employees in some incarnation, many hadn't yet embedded it as routine practice until the pandemic demanded it.

Evaluating the effect on your business processes if you have the majority of your people working from home (and it may even be 100%) is imperative to continue to run the business smoothly.

Director for Boomer Consulting Inc Ariana Campbell has some questions you need to ask when it comes to assessing your remote working processes:

Do you have a good communication process?

Excellent communication is crucial for distributed teams – not just for getting work done, but for transplanting that “in-the-office” feeling.

To successfully work remotely, you will need a combination of communication tools, including instant messaging, email and video conferencing. These comms tools will also help in ensuring that your business processes remain transparent.

Ensure that every communication tool is efficient enough for your team to complete their work and ensure they are used consistently. If your communication processes are complicated and inconsistent, your remote team members won't be motivated to stay connected.

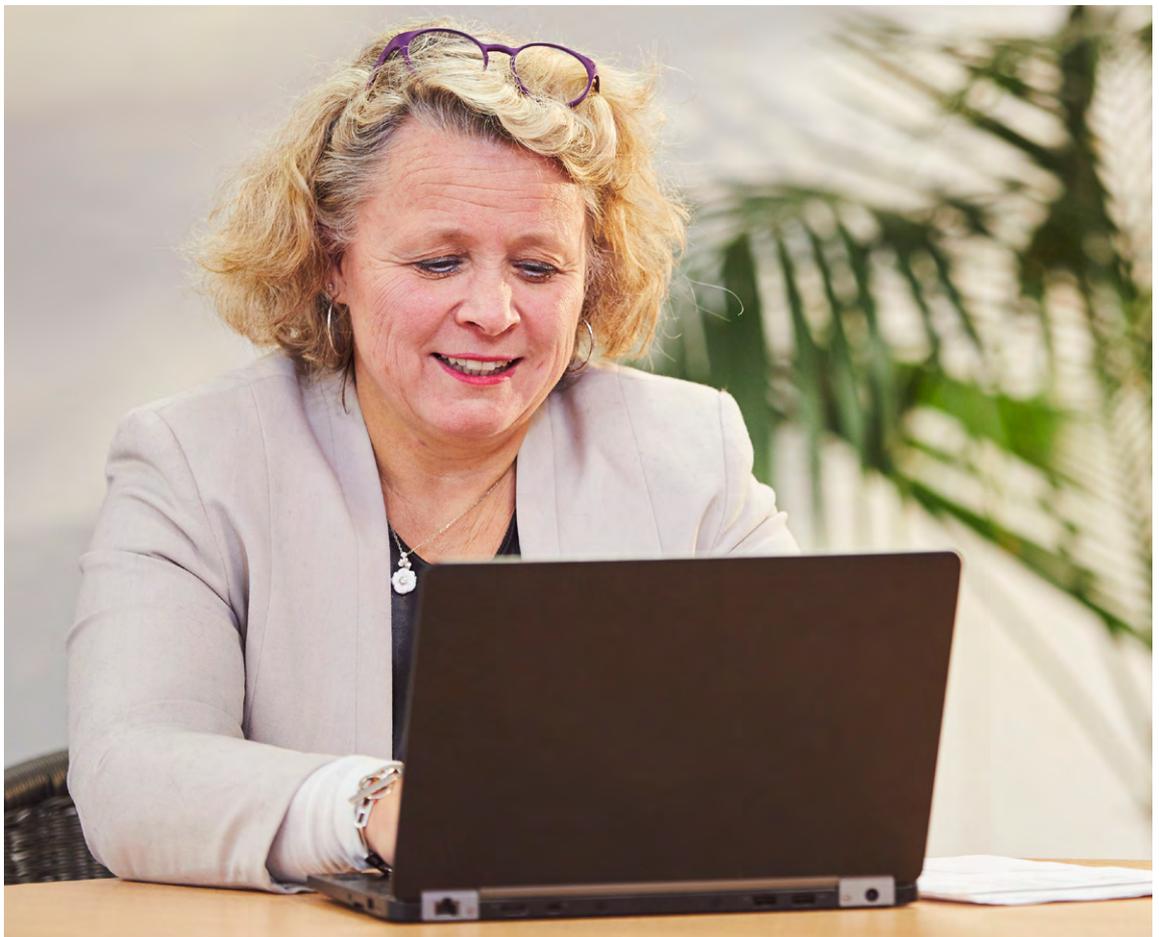
Do you have a good process for transferring knowledge?

The training process in many firms involves getting a group of people in one room. When that's not possible, how are you transferring knowledge?

Your process for transferring knowledge needs to include formal training as well as social learning. You can achieve this by maintaining a bank of learning materials, such as short videos and holding regular “meet-ups” via video conference. This way, your remote team members will feel like a part of the team and be able to discover and discuss new concepts and ideas.

Are you maintaining employee engagement?

Engaging with your employees and team is more natural in a face-to-face situation. However, if it is necessary for them to work from home, as is the case with the coronavirus outbreak, then you will need to strategise to maintain that engagement.



How can you help your people to adapt to working remotely?

Here are some tactics that you can put into play that will help to foster employee engagement for all staff members and suitable as tips for your managers in maintaining collaboration within their teams.

1. Book online weekly team meetings

While your employees may be used to sitting around a table once a week for a catch up with their team, a move to remote working means that physical togetherness isn't possible.

However, it doesn't mean they can't have their weekly catch up – using technology. Since multiple people can feature and contribute using those communication tools, your teams can continue to have their regular catch-ups, albeit virtually.

If a daily scrum is their catch up of choice, simply follow suit and encourage everyone to show up online for 10 minutes each morning to highlight the tasks of the day before they dive into their work.

2. Switch on your camera

When your employees have their meetings – be it team catch-ups on one-to-one chats – try and avoid doing it in a faceless setting.

To fill the gap of your employees not seeing each other daily, ask them to be bold and turn their cameras on. By seeing each other, it will help to generate the human interaction that your employees may be lacking when they are working from home.

3. Keep up with performance management

How are your employees getting on with their workloads? Are they achieving their goals – or do they need support to stay on track?

Put processes in place so managers can check in with employees regularly to measure progress and offer guidance. Doing so using cloud HR or performance management software means goals and documents can be kept in one place and easily accessed.

Use video conferencing tools (with the camera switched on if desired), so your managers and employees can have regular one-to-one interactions.

4. Feedback to employees regularly and check how they are getting on

As well as providing support to your people as they work from home, it's worth checking in to see how they are getting on. Why not try creating an employee engagement survey and sending it round to your staff?

That might lead to the creation of a weekly update. Look at creating a newsletter or holding an online company meeting, where people from around the business have the chance to make a positive contribution.

5. Virtual water cooler catch-ups

The chance for spontaneous catch-ups may have disappeared from those trips to the coffee machine that your employees are used to – but that doesn't mean they can't still have quick chats.

By using instant messaging apps such as Microsoft Teams, WhatsApp and Facebook Messenger, your employees can stay in the loop with the latest gossip.

However, there's also a work-related benefit to this too, in addition to the social one.

Say someone from your accounts team has a cash flow management query and needs to check in with the finance director. Rather than sending an email and having to wait for them to get round to reading it, a quick message via a messaging app can result in a faster response.

6. Virtual team building activities

That's right, paintball trips and go-karting are out when it comes to remote working. But that's not to say that your employees can't participate in some team building. You'll just have to take it online.

There are several things your business can do to keep employee engagement levels high in this area.

You could put on virtual coffee and cake sessions where your employees get together in an online meeting to chat about a topic of choice. It could be something light-hearted that allows everyone to avoid talking shop for a while and get to know each other better.

Or you could even venture into online gaming and set up competitions for your employees to participate in, be it via consoles or gaming apps.

Audit and improve tools and processes

The value of a supply chain contingency plan

The coronavirus outbreak is affecting businesses on a global scale. It has clearly shown the world how vulnerable to disruption our global supply chains are.

Exponential growth in trade over the past few decades means today's global supply chains are incredibly complex, with manufacturers and distributors vulnerable to any sort of disruption.

Pandemics are unique. Where you may well have risk management processes in place to deal with controllable and foreseeable challenges, such as compliance, financial and capacity issues, they could struggle to prepare you for world-defining events.

For example, you may need to cope with less staff, a dramatic decrease in productivity and a change in how your customers decide to spend. And with China being such an essential and influential part of global supply chains, there are inevitable consequences.

How coronavirus is affecting supply chains

According to Gartner¹, disruption to supply chains impact businesses in the following ways:

A shortage of materials

You may suffer supply shortages of materials or finished goods coming from logistical hubs in impacted areas.

A shortage of labour

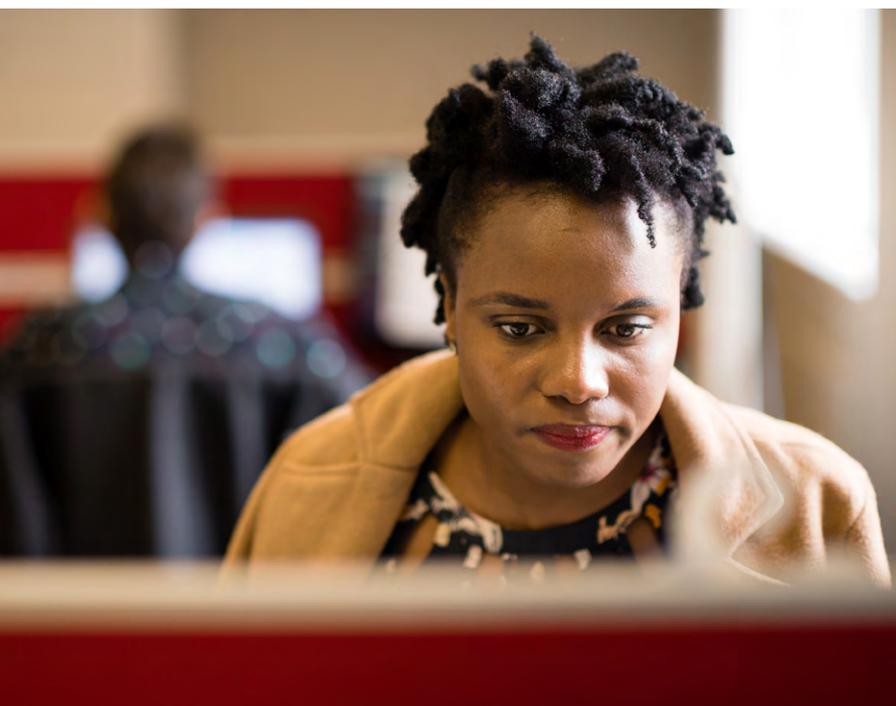
If you have a presence in an affected area, you may have problems with finding people to work because of quarantine guidelines or illness. Travel is limited, with social distancing and quarantine requirements significantly affecting labour, which then leads to sourcing and logistical challenges.

Sourcing challenges

Finding new business or making new agreements will be challenging with restricted travel in affected areas.

Logistical challenges

Your established hubs and supply networks could experience issues when it comes to capacity and availability, so your materials could get stuck, especially if you have difficulties finding new routes and modes of transportation.



10 business continuity planning steps to take now

In terms of contingency planning, what should you do in the short and medium-term? Here are 10 things to consider:

- 1 Consider your people – their welfare is paramount and they are a critical resource to your business. You may have to rethink work practices. Look at who can work from home and who needs to be present on the front line.
- 2 Monitor what's happening to your supply chain in countries affected by coronavirus. If you don't have full visibility, prioritise getting this in place as soon as possible.
- 3 Build an in-depth and detailed emergency operations structure and process at the plant level, with predetermined action plans for communication and coordination, designated roles for employees, communication and decision-making protocols, and emergency action plans that involve customers and supplier.
- 4 Make sure inventory is in reach. If you suspect or know that your stock is in an impacted area or logistical hub, make sure you have alternative suppliers.
- 5 Work closely with your legal, finance, and HR teams to understand what it'll mean financially and legally if you can't get supplies to customers.
- 6 You may have to put in additional steps to contractual arrangements with customers. If you can't meet your obligations, a clear understanding of your contractual terms will allow you to plan and prioritise your response.
- 7 Look at ways to balance supply and demand while building a buffer when it comes to stock.
- 8 You may need to find ways to diversify the suppliers you need and revisit the whole way you treat risk management.
- 9 Work with stakeholders and your most critical suppliers to prepare for potential material and manufacturing capacity shortages.
- 10 Review business forecasts and run scenarios to determine where you are at risk now (and may be in the future).

Adapt your long-term supply chain strategy

Once the initial impact of coronavirus has been alleviated, it is going to take some time for the full repercussions to present themselves.

As a result, it is wise to prepare in case a similarly disruptive situation occurs again. If you take action to put in place scenario planning exercises, for instance, you will put in steps in place to diversify your supply chain and source alternative supplies if the worst should happen.

Until recently, business headlines were limited to human-made events affecting the supply chain, such as trade wars and tariff wars. Coronavirus has meant an acceptance of unpredictability and disruption as a result of an invisible virus. This is the new normal that we must get to grips with.

In order to organise around disruption, it is not enough to think about the supply chain strategy conventionally. You need to rethink logistical

strategy and manage supply chains in a way that anticipates disruption, rather than just merely responds to it.

Ensure you have clarity on the processes of all of your suppliers, even those upstream and several tiers back. If you don't have this visibility, your business is less likely to have the ability to respond to or estimate impact of an unplanned event, as you are unfamiliar with upstream suppliers.

It is crucial to understand where your critical vulnerabilities lie. Your supply chain may have a dependency that puts your business at risk if a wide-ranging issue occurs. Say, for example, you are dependent on a supplier with a single facility and a large share of the market. If a significant problem arises (this may range from your supplier going out of business to a pandemic occurring), you need to strengthen your weakness so that you are well equipped to deal with it.

Achieving business continuity with the cloud

Is your business prepared for a data issue?

Business leaders dedicate the bulk of their time to strategising for growth, longevity and arming their organisations with the data and technology required to get things done smarter and faster.

But what if something happens to compromise your business data, like a security breach or a natural disaster? Do you have safeguards in place to minimise business interruption and restore your organisation to normal? What is your plan for continuity?

There are clear benefits in migrating your core lines of business to the cloud for business continuity purposes.

Faster recovery time

One of the main advantages of operating in the cloud is that you can back up your entire server almost simultaneously. All the information coupled with the systems and applications is grouped into one software block or a virtual server for easy recovery. This can be managed in minutes, in comparison to older software with questionable restoration times.

Lower set-up and recovery costs

Recovery efforts for cloud-based operations are more cost-efficient to implement and execute than traditional backup methods. Traditional backup involves setting up physical servers at a remote location, which can be costly. The cloud, on the other hand, enables you to outsource as many hardware and software resources as you need while paying only for what you use.

Any amount of downtime can cost a business in human-hour labour spent to recover or redo the work lost. In some cases, an eight-hour downtime window can cost businesses tens of thousands of pounds. Cloud access mitigates this risk, so you're back to generating revenue faster.

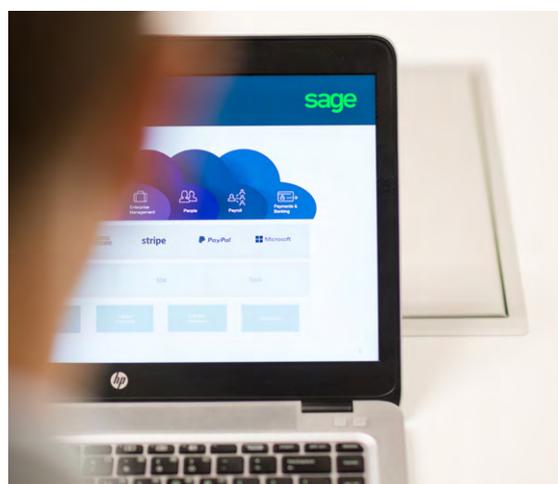
No location ties

Choosing the right location for the data recovery facility is highly important because if the facility becomes a victim of the same threat, the information will be lost forever. Having your primary and backup servers in the same location can spell trouble in case of a fire, a hurricane, or a flood. With cloud technology you can choose the backup facility located in any part of the world.

Easier recovery of fixed assets

What about your business' fixed assets – tangible things like desks, chairs, interiors, and equipment? You need an accurate record of purchasing costs and depreciation to give to your insurance provider to start your recovery process.

And if that data is damaged in the event as well? Safeguarding such information in the cloud prepares for quick recovery in the unlikely event of a natural or human-made disaster. You can quickly access insurance information to file a claim and receive recovery assistance according to your policy if you have access to digital inventories.



Preparing your business for the new normal

As we are not yet in a position to wave coronavirus goodbye, the business world is slowly adjusting to the 'new normal' and creating a new reality in which the way we work has fundamentally changed.

As social distancing, remote working and protective equipment are now everyday necessities, it's a critical time for businesses to make the right changes and shifts in the way they operate. And there is room for success if you manage people and processes better than your competition, which may be experiencing the same problems.

Here are some steps you can take to ensure your business prospers after the pandemic:

Start by reviewing your business

Take a good look at your business and examine how you can operate going forward. The environment is extremely volatile and fluid, which means you need to get granular and create a detailed relaunch plan.

Depending on the size of your business, you may want to consider relaunching in stages, market by market, site by site, customer by customer, and product by product. Relaunch planning should be manageable and will undoubtedly help guide what you want to when it comes to your people, production and supply chain.



Improve your customer experience

Do your customers experience a different level of service when your team is working remotely? They shouldn't. Your firm needs to provide the technology that protects quality of service.

Video conferencing, as well as electronic signature and delivery, should be part of your process. If they are, with minor adjustments, your team's productivity should be the same.

If your firm hasn't bought into remote work, this is the year to enact cultural change and make remote work viable for your team. If you are struggling with a distributed team right now, your processes, training, or communication will be the stumbling blocks – not the nature of remote working itself.

Rethink the design of your supply chain

Many organisations build supply chains with globalisation in mind – the assumption has been that global trade allows us to source, produce and distribute products from locations with the lowest cost. However, the likes of Brexit, the US/China tariff war and now coronavirus will make us think again, especially if suppliers are located in a central location far away.

Today, we may be looking at an era of new supply chain design where businesses can be ultra-agile and responsive in dealing with changing policies, regulations and natural disasters.

Redesigning your supply chain is a complex undertaking. But having a backup capacity for supply, production and distribution means you reduce the risk of your entire supply chain being disrupted. The second and primary sources should ideally be away from each other. This will decrease your risk but could lead to an increase in costs. Similarly, having production facilities with local sources of supply spreads the risk and could cut transportation costs.

It's impossible to anticipate the arrival of global crises such as coronavirus, but businesses can mitigate their impact by improving their supply chain preparedness. By putting the right plans in place before a disruption occurs, and testing and learning before the fact, you'll put your business in the best possible position to keep moving and hopefully weather the storm.



Handle your finances

As you start up again, you may have to create detailed financial models considering your cash flow and staff costs, as it may take some time to establish relationships with your customers and get the orders coming in again.

Surrey-based business DPR Motorsport works to maintain Caterham sports cars for the official Caterham race series, which unfortunately had to shut down due to the lockdown.

Without business and under coronavirus restrictions, DPR Motorsport had to close down its workshop.

DPR Motorsport went into planning mode, understanding what the shutdown meant for the business financially. It set up a business plan, determining fixed costs and making sure they were reduced to a minimum.

DPR Motorsport also took time to understand its cash flow, so the company could communicate this to the bank to ensure that any funding support would be available when required.

Automate your workflow

For any firms that haven't made the switch from paper routing sheets to an automated workflow system, the current environment should be a catalyst to make that leap. An automated workflow solution eliminates the need to physically move work between teams.

Start by identifying the bottlenecks that are occurring with your team working remotely. Where is the work being held up? What requires people to go into the office when they don't really need to? Look at designing and automating workflows to address these issues.

Move to the cloud

Compared to physical systems, cloud backup is virtually endless. As your organisation grows, your cloud solution grows with you at no risk to the additional data workload. Not only are you saving money by only paying for the storage space you need, but you can also easily add extra storage.

When large enterprises are hit with a data security breach, it makes front-page news. Small businesses, however, are more susceptible to data being compromised because they don't have the resources required to combat today's savvy cyber-criminal.

Operating in the cloud enables you to back up and restore your business-critical files in case they are compromised. When it comes to physical security of their data and facilities, small and medium-sized businesses can only do so much to prevent

breaches. Cloud software vendors can employ more robust physical security measures at their facilities to ensure data safety. IT support providers are also equipped to avoid data loss from natural disasters, power outages and common errors. They can also provide a well-documented disaster recovery plan, so you don't have to start from scratch.

In summary

Things happen. Even if it's not something as disruptive as coronavirus, natural or human-made disasters come in all forms, from hurricanes to tornadoes, to plain old human error.

Nobody wants to think about the possibility of a threatening event, but ignoring it could cost you your business. It's worth the time and money to invest in your people and processes. This could involve managing your people differently, modernising your supply chain and migrating to a cloud solution. These and other technology solutions can put your business continuity concerns at ease and help you sleep at night.

To choose the right technology that supports your business continuity needs, you must research different vendors and inquire if they have a history of serving businesses similar to yours. Ask each to provide indicative reports to show that they have worked with similar companies and to explain what business continuity features they will create to keep your business safe and thriving if the unpredictable happens.



