Presentation on Crisis Management and Business Continuity

ISCA Breakfast Talk
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What do you want to learn today?
Some definitions.....

Business Continuity is the:

*Capacity of the organization to continue delivery of products or services at acceptable predefined levels following disruptive incident.* (ISO 22301)

Business Continuity Management is a:

*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.* (ISO 22301)
Some definitions.....

Business Continuity Programme is an:

*Ongoing management and governance process supported by top management and appropriately resourced to implement and maintain business continuity management (ISO 22301)*
Bottom line.....

Either

the Situation Controls you

or...

YOU control the situation.
Overview of disaster recovery timeline

PEACE TIME

- BAU
- Incident Management & Escalation Plans

EMERGENCY

- Crisis Management
  - What, when, why, who & How

RECOVERY

- Business Recovery
  - Follow predetermined recovery strategy / procedures

RESUMPTION

- Recovery Plans including IT DRP
  - (By function or departments)

NORMAL

- BAU
Objectives of Crisis Management

• End the crisis quickly
• Limit the damage
• Restore credibility
• Ensure quick return to normalcy

Crisis Communications - Objectives

• To provide accurate and timely information to all targeted internal and external audiences
• To maintain a positive image of the organisation as a good corporate or community citizen
• To show that the organisation takes its responsibilities seriously
• To demonstrate concern for people
Key Principles of Crisis Communications

- Containment
- Openness
- Responsibility
- Compassion (or Empathy)
- Action

Getting the message right

- Work on two or three key messages
- Focus on the key messages ALL the time
- Convey your key messages through your actions (or inaction), your words and your body language
- Think of your position and instructional messages
Organisation’s resilience and readiness life cycle

- Review compliance to organisations’ BCM policy [IA]
- Review compliance to regulations [IA]

Plan maintenance

- Lead in remediation of gaps in own business unit
- Review design and operating effectiveness of remediation [IA]

Remediate weaknesses/gaps

- Assist in risk analysis (e.g. risk at outsourced vendor)

Develop Business Continuity Plans

- Threat Analysis, BIA, determine recovery strategy
- Establish ops guidelines / procedures for use during crisis
- Review plans against organisation / regulatory / best practice standards [IA]

Regular exercise of teams/plans

- Active participation

Periodic staff awareness training
What functions should be included in the BCP?

- **High Probability, High Impact:** High
- **High Probability, Medium Impact:** Medium
- **High Probability, Low Impact:** High
- **Medium Probability, High Impact:** High
- **Medium Probability, Medium Impact:** Medium
- **Medium Probability, Low Impact:** High
- **Low Probability, High Impact:** Very Low
- **Very Low Probability, Medium Impact:** Low
- **Very Low Probability, Low Impact:** Low
- **Very Low Probability, Very Low Impact:** Medium

Impact:
- Low
- Med
- High
**Typical roles of Finance/IA during crisis recovery?**

- Lead in recovery of own department’s critical functions
- Supervisory role over management of funds
- Lead in liaison with finance-related regulators
- Act in secondary role in implementing organisations’ policy and controls (e.g. line 2 role)
- Monitor effectiveness of organisation’s controls (now operating in a crisis mode) and provide real-time recommendations to remediate deficiency [IA]
- May be deployed into other parts of the organisation to augment staff resources
Challenges for organisations to be DR-ready

- Inadequate experience in business continuity planning, crisis management
- Incomplete knowledge of business operations, especially interdependencies between functions
- SOP out of date (e.g. no inventory of reports/data from system)
- Lack of discipline in updating plans (e.g. vendor contacts)
- Wrong assumptions
- Incomplete recovery procedures
- Inappropriate strategy
- BCPs not useful
In conclusion....

“The Chinese use two brush strokes to write the word 'crisis.' One brush stroke stands for danger; the other for opportunity.

In a crisis, be aware of the danger - but recognize the opportunity.”

John F. Kennedy, Speech in Indianapolis, April 12, 1959
35th president of US 1961-1963 (1917 - 1963)
Thank you