

Risk, Resilience and COVID-19: You've got the team to play the response game, so who should be on it?



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We trust that by now, most of you have read our previous publications on what you can do to apply your minds to the current pandemic and have found the process we have highlighted helpful to establish the “so what for me and my organisation” of the current pandemic.

Identifying the key uncertainties that your organisation should be focussed on is, however, but a small step in a bigger journey. For many organisations, the game has evolved to one of responding to the identified risks or risk treatment. In this fast-paced, ever-changing internal and external environment, the responses are currently being driven from the top through a joined and collaborative effort, by a **team of people for people**. Especially after our president's announcements last night, there are many things to prepare for ranging from a lock down to an eventual restart.

Based on most internationally published standards and guidelines and in line with generally accepted international business continuity practices, the required elements, for a successful recovery are based on the philosophy that it is neither constructive, nor practical, nor relevant to formulate a highly detailed number of steps or responses (the 'RECIPE') for individual scenarios but rather to focus on capturing possible response tactics and response options (the 'INGREDIENTS'), whilst placing the bulk of the focus on organisational teams (the 'CHEFS') that would be best qualified, experienced and capacitated to respond to what is going on.

Even in those organisations where good BCP's existed, no one foresaw this virus, no one foresaw what it could and would do and any detailed 'recipe' response would have been off the mark. Our approach has therefore always been on the chefs, the bakers, the cooks and the decision makers in the crisis/business continuity response kitchen.

This article is therefore focussed on the most appropriate “chefs” and “ingredients” if you have the right team, with the right roles, let them formulate the recipes as situations and events unfolds. This is a much more sustainable approach to business continuity management.

We also hope that if you work in an organisation of 100 people or more (not related to the 100-person gathering limitation), that your organisation has set up a dedicated team to deal with and respond to the pandemic. Once you know who your stakeholders are, what context you operate in and have applied your minds to the risks you face, the controls you may have and the impacts of these risks, the time has evolved to establish what we call a Crisis Management Team (hereafter referred as CMT) and a separate Business Continuity Team (BCT). We also hope that in order to flatten the curve, the CMT is meeting regularly

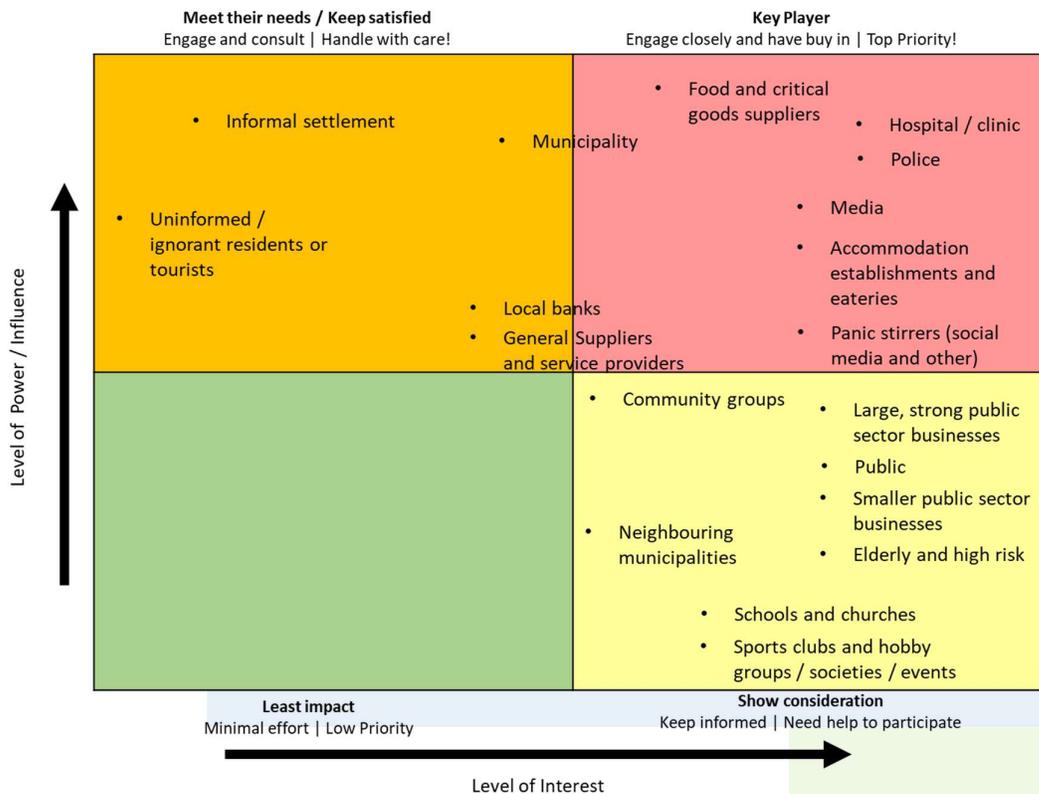
(preferably via remote working applications) and formulating meaningful responses to the pandemic and its implications for YOUR organisation.

The CMT should be focussed on establishing an actual response to the crisis, in the short- to medium-term whilst the BCT is focussed on the more medium- to long-term implications and responses. It is hopefully obvious that given the separate focus of these two teams, they are resourced separately, although the leader of the CMT has a role to play in the BCT.

Many of our clients have lately been asking us who should be on the CMT and BCT teams and what roles should be considered. As with all teams, including the various sports teams that are currently being isolated and quarantined or being asked to refrain from practising their passion or profession, the first role to establish is that of the team leader, the captain if you so wish. Our experience over many years of crisis and business continuity response is that the normal leader, the CEO or MD is not always the best CMT or BCT leader. What you require is someone who can take a view over the entire organisation, consider all stakeholders and consider all contexts, we've also found that in practice, females are better CMT leaders than males. A normal organisational leader will invariably retain some element of knowledge and organisational bias towards their previous roles and responsibilities, be it the delivery of shareholder returns, or delivery of production, or revenue protection. The crisis response should however be guided by the risks, their impact and what you can do as an organisation to respond to fact-based information. So the leader in this case is more of a facilitator and collaborator. If the normal leader is not the best person for the job, many risk professionals meet the required criteria, as do FDs/ CFOs and other non-operational C suite roles within the organisation.

The captain or team leader should also then consider filling the following roles in a CMT:

- Someone needs to stay focussed first and foremost on people, so HR has a role. Remember all of the people that make your business run; employees, suppliers, contractors and customers.
- Communication, both internally and externally, is also key in time of a crisis, so a communication role must be established. Larger organisations have someone focussed on internal communications whilst someone else is focussed on external communications. If an organisation exists within a host community, as most do, communications to these host communities becomes a key success factor. The simple graphic below helps to understand stakeholders in terms of their levels of influence and level of interest and allows one to formulate a high-level communication plan. This example is for a small town.



The following specialised roles need to be considered:

- **Health and Safety:** You need someone focussed on health and safety of employees, customers, and the other stakeholders you have identified, a medical doctor on the team is a very valuable resource at this time. If you do not have your own, consider securing an external medical person to guide the technical and medical needs of any response.
- **Logistics and supply chain:** This could be someone from procurement or finance, or someone that can consider the various logistics aspects of a response. These may vary from alternative business locations to alternative suppliers.
- **Legal:** There are many legal implications to doing something or doing nothing and having legal representation on the team is important. Maintaining all responses within the parameters of the law, such as the Disaster Management Act that has been evoked for example, is important both now and in the future.
- **Security, physical and information technology:** Whether it relates to security of people, which should be a priority, or security of assets and information, as well as security of information systems and information technology must be considered. Media reports indicate that the volume of cyber related incidents related to COVID 19 have been and continue to expand exponentially. In larger organisations both an IT and a separate security role will be on the CMT. Also consider special security requirements during any lock down period.
- **Operations/ production:** Someone who can determine what minimum staffing requirements are required to meet certain production or operational needs, namely the 'where' and 'how' needs to be included, to determine current stock levels, orders and delivery commitments. Equally important will be the considerations of how/when to re-start various production streams after any lock down period.

- Finance: Money will be required to respond to the crisis! The team will need someone that practices the delegations of authority (DOA) daily, understands emergency funding and procurement and most importantly understand what money is available where and when – this is an absolute necessity. The finance manager or one of the other roles should also be familiar with your insurance portfolio, what to disclose to insurers, what could constitute a claim, or not, what other third-party assistance may be available. Consider the risk manager or insurance broker if internal insurance knowledge is limited.
- And last but certainly not least, one or more scribes and recorders should be appointed. Decisions made now, on a body of knowledge which is changing daily, could lead to or have short- or long-term liabilities or implications that may right now, not even cross our minds. Having the right information structure and people to capture available information and record any body of knowledge on which decisions are made (the recorder’s job) now or later is, after the leadership role, perhaps the most important role that you could have in your response team. The scribe(s) in turn continue to maintain records of discussions held and decisions taken, the minute takers.

As with all teams, we need to recognise that one team can only play the game for so long before the energy runs out. Some team members may also become unavailable for a range of reasons. So for every role on the CMT, you should have a second and third person that can fill the role so one team can hand over to the next team if required. Have a large bench of reserves! Last but not least, do not put all of your A team players on the same team, mix up the A team, B Team and C team if you can in this time of crisis. Appoint the roles based on known cognitive and organisational as well as knowledge biases and recognise your own knowledge and cognitive biases. This is a team game we have to play with little ego and lots of collaboration.

As a lot of sports coaches will tell their team before an important match to play the game fairly, play the game to your best ability, listen to the captain but also make sure the captain listens to you. Play it as a team and good luck out there.

Resources and additional reading:

<https://www.who.int/emergencies/diseases/novel-coronavirus-2019/situation-reports/>

<https://www.ecdc.europa.eu/en/geographical-distribution-2019-ncov-cases>

https://www.irmsa.org.za/page/covid-19_noticeboard

<https://www.thebci.org/knowledge/coronavirus.html>

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