Business Continuity after COVID 19 – developing effective risk management strategies

It appears unlikely that a resumption to business as normal will not materialise for most UK organisations, firstly as time will be required to prioritise operational matters in order to deliver a phased return to customer service, as well as catch up on matters that have been put on hold during the lockdown. Nevertheless, there will come a time when review of the impact of the pandemic on every organisation will be required in order to consider whether risk management and business continuity arrangements were robust and what lessons can be learnt from the experience. There can be no more Black Swans!

Critically, a review of the organisations risk matrix will need to be undertaken in a transparent manner; this will require a systematic risk review that considers whether key inherent risks were identified and whether the relative risk assessments were an accurate reflection of recent experience. This should identify whether a balanced approach had been taken to establishing a risk management policy; was sufficient attention given to operational risk issues as opposed to regarding everything as a financial matter.

Key issues for every organisation will be to consider matters such as:

- Did the existing technology infra-structure support the new needs of the organisation, particularly home-working?
- Was the supply chain robust or was the organisation too reliant on a small number of key suppliers?
- What was the impact on our staff, regarding changes to working arrangements, furloughing or indeed possible the need in the short-term to recruit extra staff?

Now is clearly the time to consider implementing a dynamic risk assessment which considers whether the risk management fragment captures all that matters, not just that regarding COVID 19 or the next pandemic but of all the inherent risks that the organisation faces. Where a risk exist remedies need to be sought that will ensure appropriate modifications are made to existing processes to better protect the organisation should similar business interruption occur for whatever reason.

It may be that a programme of facilitation throughout the organisation can be constructed to support embedding the risk management policy throughout the organisation, this would help meet local need to understand the risk appetite of the Board and achieve best outcomes. The exercise would be designed to draw on experiences at all levels within the organisation, documenting concerns and suggested improvements with a view to presenting a risk management plan that acted as a catalyst for enhancing risk management and business continuity planning arrangements for the future.

Business Continuity Plans must ensure that they provide comprehensive and robust mitigating actions that complement the business-critical risks identified within the analysis of the risk appetite of the Board. Above all they must be tested to ensure that there is appropriate assurance that when the worst happens, organisations are certain that services (in a form that is most appropriate) can continue and that the long-term future of the organisation is secure.

BUSINESS RISK SOLUTIONS