Digi's Business Continuity Planning Playbook For **SMEs**

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Introduction to Business Continuity Planning

WHAT IS BUSINESS CONTINUITY PLANNING?

Business Continuity Planning (BCP) is the process of formulating a plan for how your business will continue to operate should a crisis occur. This crisis could be anything from a fire, flood, or natural disaster to a global pandemic like COVID-19. The important thing in a business continuity plan is that it is general enough to be applied to a wide variety of situations but with enough room to add in specifics as needed based on the situation to which you are responding to at the time. This plan should be written well in advance of when it is needed so that it can be reviewed and tested by the people responsible for putting it in action.

WHAT TYPES OF BUSINESSES NEED A BCP?

All businesses regardless of size or industry would benefit from having a BCP. You and your employees rely on income generated by your business and your clients rely on you for the products and services you provide. This will not change in the wake of an emergency situation.
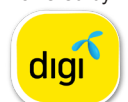
WHEN WILL MY BCP BE APPLICABLE?

In the current climate, everyone is implementing business continuity plans to respond to the COVID-19 global pandemic but a global pandemic is not the only situation where a BCP will be needed. The following is just a short list of situations where having a BCP is necessary:

- An electrical fire has burned down part of your building
- A broken water main has caused flooding in your building
- Your business has been attacked by hackers
- Your office area has been heavily flooded
- Malware is accidentally downloaded onto your system causing extensive damage

A good BCP can help your business in the face of a wide variety of business disruptions that you may encounter.
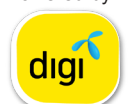
WHY IS MY BCP IMPORTANT? WHO DOES IT AFFECT?

A BCP is your organisation's best shot at surviving a major business disruption. It will not only reduce the amount of downtime your organisation will experience, but it may also even be the difference between remaining open or going out of business for good. A BCP gives your employees and managers an idea of what to expect should the worst happen so they are prepared to react and get down to business faster.

Your BCP affects everyone connected to your business, employees, customers and partners alike. A good BCP will have directions for who needs to return to work when, who is responsible for what during any downtime, what systems are in place for working from home or other remote locations, who is considered essential, and any other information your employees need to keep your business up and running through a disaster.

Your BCP will also impact your customers and clients. It is important that your clients know what to expect from your business in the aftermath of a disaster. Any disaster will naturally cause unease in your clients, which is why having a plan is incredibly important. A plan lets them know that they can rely on you, no matter what.

WHAT ARE THE CONSEQUENCES OF NOT HAVING A BCP?

The COVID-19 pandemic has had serious impacts on economies around the world. With movement control orders and the mandated temporary closure of businesses deemed non-essential, many organisations have seen a fundamental change in the way they do business. This includes most small and medium enterprises (SMEs).

SMEs may not be as well-equipped to handle a major disruption in business, like the one caused by this pandemic, which is why a BCP is especially important for these businesses. A BCP allows SMEs to react quickly to any business disruption, reassuring employees and clients that they will be there to weather the storm and continue to provide service as usual.
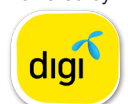
Three Areas Your BCP Should Cover

PROTECTING EMPLOYEES

The first area that your BCP needs to cover is how to protect your employees. Human resources management needs to be your number one priority. Your employees rely on you to keep them safe while they are working and you rely on them to provide service to your customers.

There are three scenarios your employees will encounter during an emergency such as COVID-19:

1. Being deemed non-essential and having their job furloughed
2. Being required to work from home during the duration of the pandemic
3. Being required to still report to their work location despite the pandemic

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In scenario 1, you need to provide your employees with status updates regarding their return to work, if they will be returning to work. Even if the circumstances are uncertain, you should maintain transparency in your regular communications to them on the situation.

Scenario 2: When working from home, you need to help ensure that employees are up-to-date, are set up to work productively (where possible), and still maintain engagement with the company. This will look different for each organisation but can include things like access to a secure VPN access to communication tools that allow them to stay in contact, company-provided tools (i.e: laptops, phones, etc.), and clear expectations regarding what they are needed to accomplish during these times.

Scenario 3: When not working from home, your BCP should outline how you plan to keep your employees safe while they are at work.

You can refer to the following checklist as you put together this section of your BCP to ensure you don't miss anything.

HUMAN RESOURCES MANAGEMENT CHECKLIST

☐ Name of BCP manager (This is the person who has been appointed to ensure that all employees are familiar with the protocols in the BCP and comply with them during this time.)

☐ Digital HR software (altHR is a great option)

☐ Plan for when management is absent (who is '2nd in command')

☐ Contact details of all employees and their next-of-kin

☐ Resource page of important contacts within the company

☐ Resource page of Ministry of Health hotline & a list of Klinik Kesihatan

☐ Insurance coverage information (if available)

☐ Quarantine procedures and guidelines (for high-risk staff)

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PROTECTING BUSINESS

Your BCP should also address processes and procedures that can be put in place to ensure that the business can run as smoothly as possible considering the situation and prevent your company from becoming obsolete. There are a few areas you need to cover while formulating your BCP in order to come up with the essential processes you need to maintain to keep your business up and running.

First, spend some time during the continuity planning process reviewing non-critical business expenses. One area that many SMEs cut first is their marketing and advertising budget. Make sure you know what your spending and conversion numbers are while you are making these decisions. Do you expect the same results during MCO? Remember that your advertising budget could bring in more revenue than before. Do not just follow your competitors blindly and pull out all your marketing during an emergency.

Secondly, you need to take a look at your product offerings and how they should change when you implement your BCP. You should only be offering your core products while operating under your BCP. With reduced resources and mobility due to working from home conditions, it is important to figure out which core offerings contribute to the largest percentage of revenue for your company. What can you do to maintain the delivery of this product?

Lastly, you need to relook at employee roles. Some roles may be redundant during a prolonged emergency such as the COVID-19 pandemic. You will need to either change employee roles or have to look at how to reduce headcount. If you think you will need to cut positions, one thing to consider is making just one big round of layoffs rather than multiple small rounds of layoffs.

We have compiled the following business process and procedures checklist for you to refer to as you draft this section of your BCP.

BUSINESS PROCESS & PROCEDURES CHECKLIST

☐ Business Impact Analysis

☐ Crisis management process for quick decision turnaround

☐ Identify core business functions and evaluation matrix of exposure and risk

☐ Recovery strategy post-pandemic (and post-CMCO in this scenario)

☐ Response procedures for positive cases

☐ Evacuation process for emergency situation (positive case among employees)

☐ Guidelines for visitors to office/premises and tracking

☐ List of employees, their roles & relevance

☐ Clear outlines on work from home arrangements

☐ Checklist of tools and logins required for working from home

☐ For working in the office/physical outlets:

> ☐ Sanitisers
>
> ☐ Masks
>
> ☐ Tissue paper / Antibacterial wipes
>
> ☐ Lidded rubbish bins
>
> ☐ Office setup for safe distancing
>
> ☐ Good ventilation (open windows)

☐ Alternative options for meetings

☐ Good Internet connectivity for employees (Digi provides Mobile Broadband that can help you ensure your employees can log on whenever they need)

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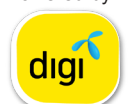
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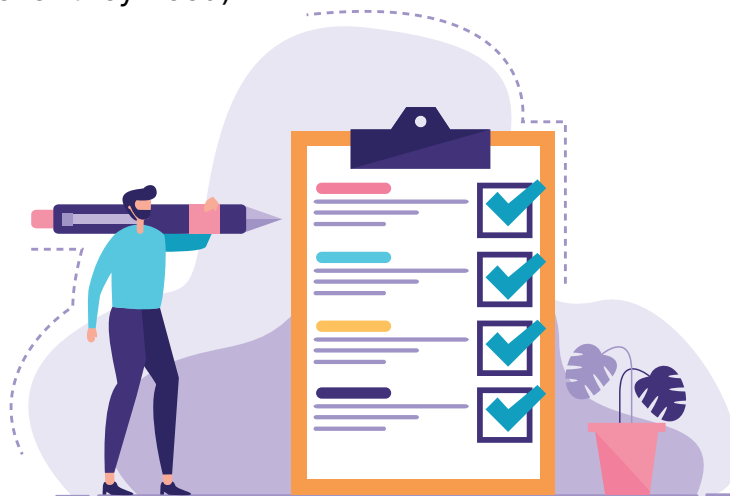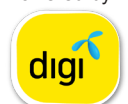
PROTECTING CUSTOMERS & STAKEHOLDERS

The last area you need to address in your BCP is how you will continue to interact with and serve your customers and stakeholders. Supplier and customer management is essential to whether your business can weather the current crisis. Tools like Omni are great for helping you accomplish this. Once you have crafted this section of your BCP, take the time to share your plan with partners and relevant stakeholders. It's also a good idea to see if they will share their plan with you. This way you can coordinate actions and responses during an emergency. This process is also an excellent opportunity to take another look at whether you need to diversify your partners or suppliers.

When you have finalized your BCP, take the time to communicate the relevant parts with your customers. This is a great way to manage your customers' and stakeholders' expectations regarding the delivery of your product or service during a time of emergency.

The following two checklists will help ensure you cover all the necessary topics in this section of your BCP.

SUPPLIER & CUSTOMER MANAGEMENT CHECKLIST

☐ Identify and list Tier 1 & Tier 2 suppliers/stakeholders/customers

☐ Compile contact information for Tier 1 & Tier 2 suppliers/stakeholders/customers

☐ Create an inventory tracking list for physical products

☐ Contingency plan for inventory shortage

☐ Check contracts & agreements for SLAs that will impact business

☐ Review insurance policies on delay in product delivery

CHECKLIST FOR LOCATIONS OPEN DURING COVID-19

For physical outlets open, ensure that rules are adhered to for social distancing:

☐ Offer services through digital channels if possible

☐ Minimise or remove contact of employees with outsiders if possible

☐ Ensure you have the necessary tools to run your business safely (temperature checker, sanitisers)

☐ Evacuation and Disinfection Process (if there is a positive case tracked back to your premises)
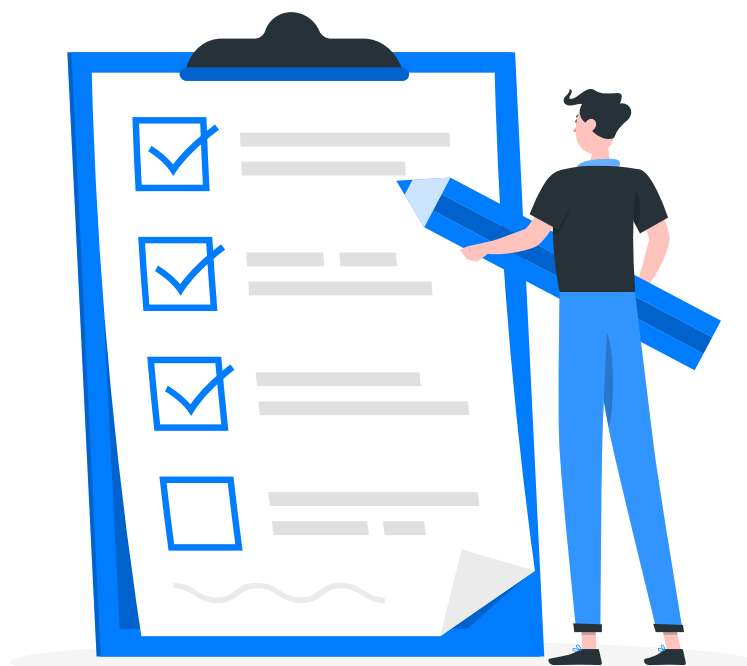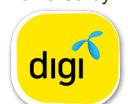
Digi's Business Continuity Plan In Action

Human Resource Management

At Digi, we have been diligently updating our BCP throughout the current COVID-19 pandemic. These updates have included:

- Changes to the Movement Control Order (MCO) and Conditional Movement Control Order (CMCO) situation in the country

- Addressing potential queries from employees such as questions regarding work status

- Rules relating to the MCO such as not being able to travel

- General guidelines around work from home etiquette and how to navigate situations such as:

    - Requiring time to look after elderly family members or young children

    - Flexibility in work hours to care for family

    - Communication required with a manager to manage workload

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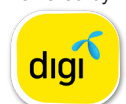
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If you have a digital   like altHR, you can save your BCP within 'Documents' so that it is easily accessible. With altHR, your BCP is only two clicks away for employees to refresh the content of your BCP. If you do not have a digital HR solution, keep your BCP in a shared folder and have your employees bookmark it so that they can access it easily.

We have appointed a business continuity manager to help employees familiarise themselves with all of our business continuity plans and how they apply to them. Your organisation may need to appoint more than one, depending on how many employees your organisation has.

We have also established an employee health surveillance process. We have a daily attendance reporting flow whereby every employee has to indicate their health levels. For those who are unwell, our business continuity manager will check-in and monitor closely to ensure they do not transmit the disease to other employees.
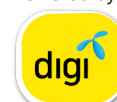
altHR is also helping us ensure that our employees' wellbeing is looked after. Within altHR, we have provided ample information about where to seek help if they become sick including contact information and locations where medical assessments are available, the hotline number for symptom clarification, and a list of all available clinics. Employees can easily access all of this information in the 'Resources' section of our altHR dashboard.

As important as helping employees stay healthy is keeping them notified and engaged with the company. The Highlights feature within altHR has been extremely helpful in doing this. We have populated our 'Highlights' section with engaging and informative information like:

- How to maintain hygiene during Covid-19
- The Responsible Digizen's Guide to Covid-19
  - Do's & Don'ts
  - Important contact information if there are any questions & doubts

- Safety FAQ & Digi's Way of Work Updates

At Digi, we have also made sure to have a clear and consistent focus on internal communication. We have worked hard to ensure that our BCP plans are clearly communicated and repeated so everyone understands what the expectations are as we move forward. We have shared our BCP slide deck through altHR so everyone has access to it and can view it whenever needed. This helps to keep employees informed. Routine updates also help with consistency and maintaining sanity for every employee in the company.

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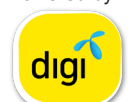
PROCESS & BUSINESS FUNCTIONS

As Malaysia shifts into a minor relaxation of the MCO and starts allowing businesses to run in adherence to the rules under the CMCO, we have been evaluating the need for all of our employees to be physically at work. We have come up with a plan to allow critical teams to come to work while reducing the chance of transmitting COVID-19 among their team members.

If possible, split employees into multiple teams (at a basic level: Team A & Team B) to work from the office on alternate weeks. It is important to keep strict rules on teams not meeting the other so that any positive COVID-19 test only impacts one team. In this scenario, it is important to keep employees up to date on where they should be on which weeks by scheduling it into their calendar. As time passes, keep reviewing the need for different work schedules, locations, or if alternative commuting arrangements are required.

For organisations that choose to close their physical offices and allow employees to continue working from home, there are a few steps you should follow to keep employees happy and productive:

- Ensure employees have access to documents or tools they need to do their job
- Ensure required documents are archived or backed-up
- Evaluate the need for remote-access to certain office tools if it can't be moved home
- Ensure important customer information is moved to the cloud - with strict restrictions on privacy
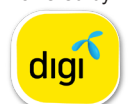
SUPPLIER & CUSTOMER MANAGEMENT

As we thought through our supplier and customer management priorities during this pandemic, our number one goal has been to protect cash flow. This is vital to keep our employees paid and maintain the delivery of products and services to our customers. There are a few steps that we have taken, and that you can too, from the supplier side to ensure that you are able to reduce costs, while taking your suppliers needs into account as well.

1. Write to your suppliers and ask for a reduction in cost, a payment moratorium, or to put a deferred payment plan in place.

2. If you rent your office or storefront space, write to your landlord or rental company for rent relief during this crisis.

3. Don't be afraid to have active and open conversations with stakeholders that are dependent on you. We are all in the same boat and need to work together to weather this storm.

When it comes to working with your customers, it's important to do it in a targeted approach. Split your customers into Tier 1 and Tier 2 levels. Tier 1 customers are the ones your business will not survive without. Tier 2 customers are wonderful to have and you value them, but if you don't retain them through this time, your business will not fold.

For your Tier 1 customers, direct communication is required. Check-in with them bi-weekly throughout the CMCO period and offer assistance to help them alleviate the situation.
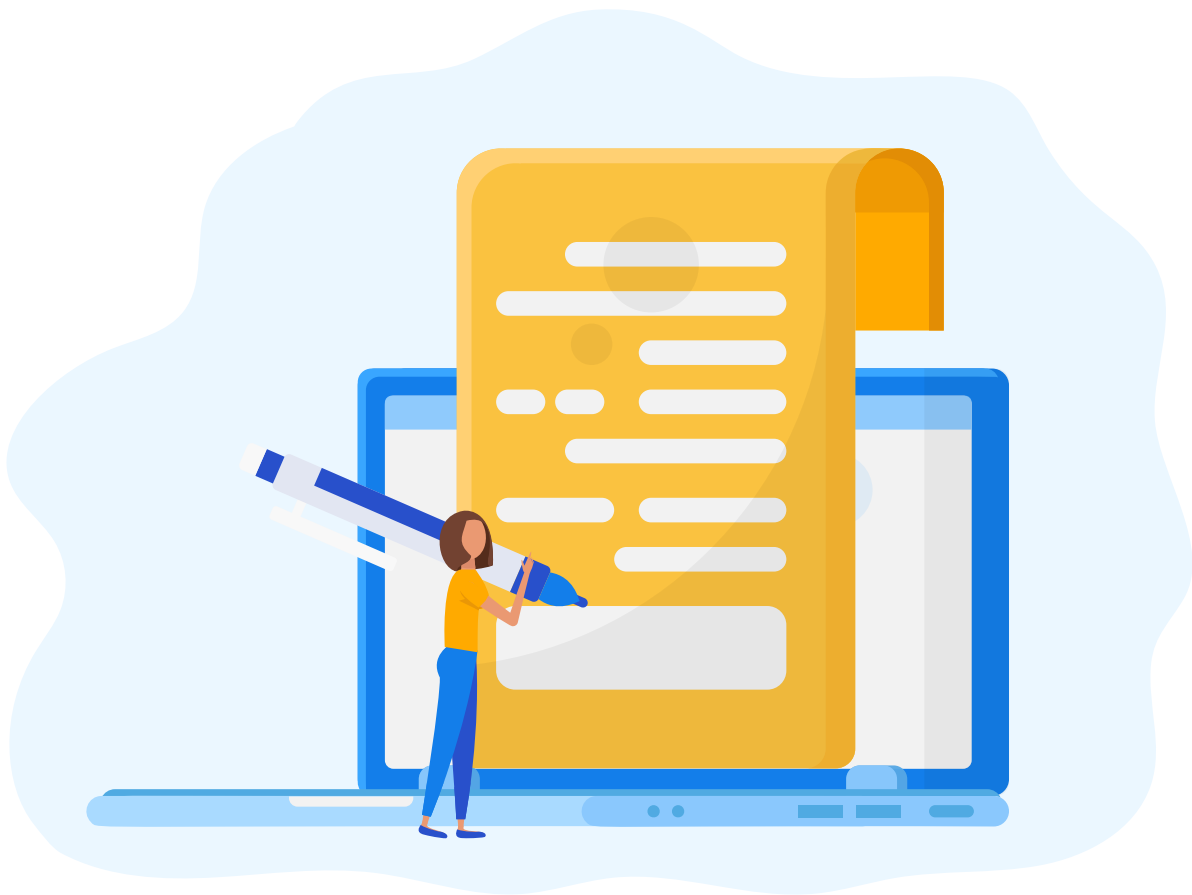
For your Tier 2 customers, a once a month or once every two month communication regarding your company's situation and updates on any service or delivery delays will be sufficient throughout the CMCO period.

Finally, it may be necessary to begin to evaluate supply alternatives if your supply chain has been disrupted.

CONCLUSION

This has been an unprecedented time of business disruption. It is unlikely that we will see another global pandemic on this scale in our generation. However, that does not mean that your business will not need to have a business continuity plan in place once this is over. In fact, after this disruption, it's likely that your customers, partners, employees, and stakeholders will expect you to be better prepared for any future business disruptions. Formulating a BCP should be of the utmost importance as you move forward through the COVID-19 pandemic and into the future of your business.