

The Human Dimension of Business Continuity Management

A report from the round-table
discussion held on March 25th 2009

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Is BCM an area HR should be involved in?

“It’s a must. In my last couple of employers HR have been central to the BCM team. However, watch what you wish for as there are some unpleasant but necessary tasks to be doled out by the BCM team.

Blankets, anyone?”

Personnel Today online forum

The Human Dimension of Business Continuity Management



Synopsis

Given most businesses rely on people to maintain their value creating processes, it makes sense that the needs of people are integral to the Business Continuity Plans of organisations.

This is not a revelation for many organisations but a consistent engagement with HR professionals at a policy and practical level has been found wanting in many organisations and this round-table meeting was therefore convened to examine the issues, roles and methods to improve engagement between HR and BCM professionals.

A recent BCI survey of HR professionals revealed they agree that they are in line for the call when a people-affecting incident occurs; likewise those HR professionals, who have looked into Business Continuity Management, overwhelmingly agree they have a key role to play.

Acknowledgements

The BCI Partnership funded the research activities supporting this workshop and our thanks are expressed to those organisations that contribute to the funding of the BCI Partnership.

The survey questions were developed with the co-operation of the HR team at Abbey and with significant support from Richard Bridgford MBCI and the trickier legal questions were provided by Jim Grafton AMBCI of RWE nPower following a local exercise.

Introduction

Lyndon Bird FBCI, who chaired the session, outlined three questions that needed to be considered by the participants at the workshop in light of the information they would receive from the presentations and guest contributions.

1. What are the human dimensions of Business Continuity Management and why are they important?
2. What should be the role and contribution of HR in Business Continuity Management?
3. How do we encourage better understanding and engagement between HR and BCM professionals?

The Abbey Case Study - The Importance of HR in Abbey's BCM Planning

Richard Bridgford provided a presentation developed jointly with Abbey's HR team. The presentation examined how Abbey involves HR in both the planning and invocation of BCM and covered the benefits of this involvement.

Within Abbey HR set the policies and processes which line management then implement. HR are a core member of the Crisis Management Team and all crisis management and business continuity plans cover people issues. HR have a role to provide guidance and support to business areas by coordinating people information during an incident, advising managers on how to address people issues and implementing HR crisis support functions.

The initial drivers within Abbey's HR department to get involved in BCM were the London Bombings in July 2005 and the need to plan for possible future pandemics.

Abbey's approach ensures that HR review policies to reflect BCM scenarios such as pandemic planning and the implications for travel plans, contracts and health and safety. HR also lead on engaging with the trade unions on BCM.

In response to questions on how to engage with HR, Richard responded with the following arguments:

- HR policies are fine for "business as usual" but in a crisis line managers will want help as normal procedures may not apply. They will want staff to work longer hours and to catch up on lost time.
- HR will be bombarded with questions in a crisis therefore it makes sense to prepare in advance.
- It takes time to get buy-in from HR and there is a need to repeat the exercise with each re-organisation of the company.
- The engagement of HR with BCM leads to better control when a major incident occurs. Ultimately the better the plan the more likely the organisation is to protect its reputation and people.

Slide 5: Abbey's Approach to People (BCM)

- HR review People Policies to reflect BCM scenarios
 - pandemic planning
 - travel
 - contractual guidance & changes
 - health & safety implications
- Staff Information Line
- HR Incident Line
- Engagement of the Union in our approach to BCM
- Use of ongoing awareness processes
- Central role of HR in the Santander global BCM methodology

Logos: Alliance Leicester, Abbey, Bradford & Bingley, We are Santander

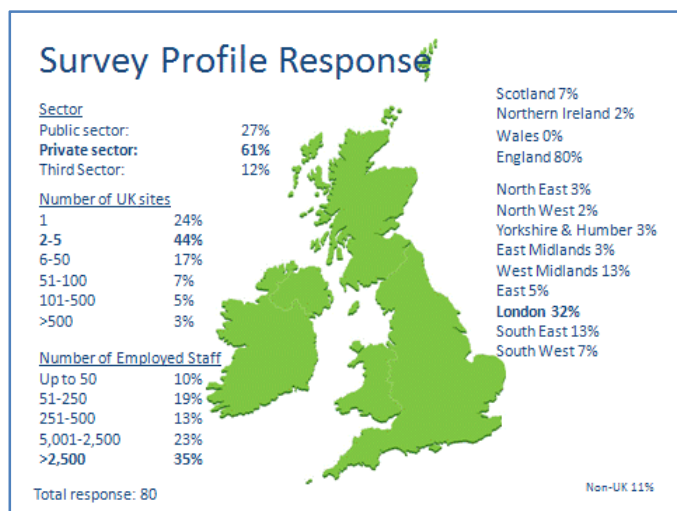
Slide 6: Benefits for Abbey:

- Ability to recover & continue critical business functions
- Maintain the confidence of:
 - our people
 - our customers
 - our shareholders
 - our regulators
- Protects reputation
- Better control of the people aspects of BCM
 - more effective planning, implementation & crisis management
 - leads to better business continuity
- Consistent with Abbey & Santander approach to managing people

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The BCI Survey

The survey was sent to 46,000 People Management subscribers, the house magazine of the Chartered Institute of Personnel & Development in the UK. In addition the survey was available online through the People Management website and the BCI public website. An email was also sent to subscribers of HRmagazine. Members of the BCI were asked to encourage their HR Business Partner to complete the online survey.



The level of completed responses received was 80, which tends to support the conclusion that engagement with HR professionals still has some way to go.

The slide opposite shows that there was a response from all sectors and across the full range of companies in terms of staff levels and number of sites. Geographically there was good coverage with the notable exception of HR professionals in Wales.

Key Research Findings

- **HR do see their role to resolve staff issues in a crisis (66%).** Note that this view is much stronger among HR professionals who have been involved with an incident (80%) and those who had been involved in an exercise in the past 6-12 months (75%).
- **Consideration of staff with special needs requirements at recovery sites is not well considered.** The results show that 56% have not considered the needs of such staff. Clearly not all staff may be required at a recovery site, however those that are critical need the same level of support as at the normal work location.
- **Staff counselling arrangements are very well established, especially in the public sector.** The results show that 62% of organisations have such arrangements in place and in the public sector this figure reaches 88%.
- **There is significant disagreement and uncertainty in responding to survey questions with legal and reputational consequences.** Clearly a lack of understanding around issues which have legal and reputational impact is not something that organisations want to find out when a crisis hits. Opinion was divided on questions such as *“If you send staff home, are you still responsible for them?”*
- **There is high awareness of Business Continuity Management and a strong conviction that HR has a key role to play among respondents.** The results showed that 78% were aware of BCM and over 60% were already engaged with the BCM team. 93% felt that HR had a key role to play in Business Continuity Management

The Research Results

The initial questions demonstrate that HR professionals do see that they have a role to resolve staff issues in a crisis situation. Equally there is a high level of confidence in ability to respond as expected by the business.



When looking at organisations that have experienced a major disruption the level of respondents who feel that HR have a key role increases to 80% and confidence in ability to respond falls to 50%.

Probably not surprising is that smaller organisations do not look to HR as much as larger organisations. Another key observation from the responses is that exercises are effective at engaging HR. Those who had been involved in an exercise in the last six to twelve months agreed more strongly with the first question on whether HR will take a key role in a crisis.



Staff Contracts & Expectations

Clearly the majority of respondents do review staff contracts, however a significant minority do not and as in Abbey's case study having this flexibility in contracts is valuable. Interestingly there was no substantive difference between public and private sector in terms of contract flexibility.



The survey showed that there was widespread provision for counselling services for staff. The figure for the public sector reached 88%.

Very few organisations have asked staff about their expectations of the company during a crisis. This would look like an area that could be added to staff surveys and would demonstrate an interest in staff welfare issues as well as identify any local issues that need to be considered.

Continuing on the theme of responsibilities and practical actions likely to be given to HR, the survey shows a high level of confidence in the accuracy of staff contact data, which is clearly important if there is a need to contact staff at short notice. A parallel approach is to provide a staff information line to enable them to find out what is happening without troubling the switchboard who may well be busy dealing with enquiries from customers.

Recovery Site Considerations

Not all organisations have recovery site agreements as part of their business continuity plans, however of those that do it is clearly advisable to check that the site you would move your critical staff can accommodate any special needs of these staff. The survey suggests that a majority of companies have not done this, which clearly will impact their recovery efforts.

Staff Awareness and HR Training

The survey results show an encouraging level of BCM training and awareness among HR professionals, however the result for staff would suggest that more effort is required to help staff understand what they should do in a crisis situation. This finding supports earlier research by the Business Continuity Institute conducted with YouGov, which suggested that a majority of employees were “in the dark” when it came to understanding their employer’s response and recovery plans following a major incident.

Experience is the Key Driver for Engagement

Not surprisingly experience of a major interruption is more likely to lead to HR engagement in Business Continuity Management activities. However in the absence of such an event,



exercises are an effective means of developing the dialogue with HR. The survey shows a high level of exercise activity among respondents compared with other surveys, for example the annual CMI-Cabinet Office survey states that approximately 50% of organisations with a Business Continuity Plan actually run exercises at least once a year. Only 52% of organisations in the CMI-Cabinet Office 2009 survey claimed to have a Business Continuity Plan.

The level of respondents who had experienced a major operational incident that affected staff in the past twelve months was again high in relation to other available research but given that the BCI survey was carried out after the significant but short-lived disruption caused by snow in February 2009, this may have influenced the result here.

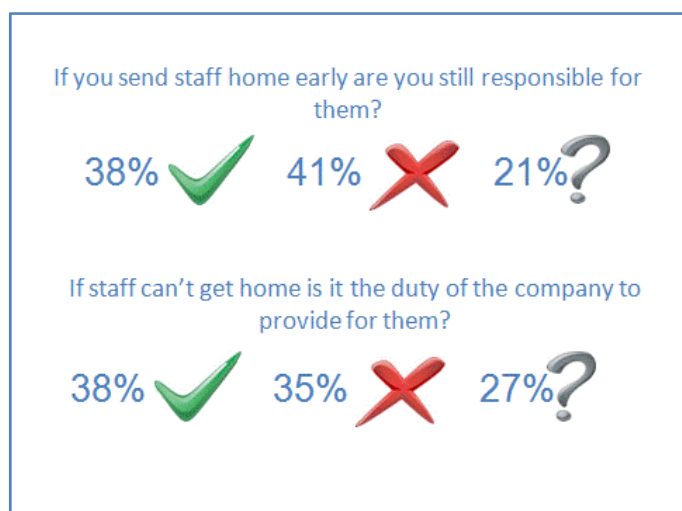
A Legal Minefield?

Seven questions in the BCI survey divided opinion between respondents and given the importance of the questions, the BCI invited comment from law firm **Bircham Dyson Bell**. Marc Meryon, a Partner at the firm provided his commentary on the responses with the following notice:

The opinions set out here are general views and are not to be relied upon when dealing with particular circumstances where specific legal advice should be sought.

If you send staff home early are you still responsible for them?

I see that the answers are evenly split between yes and no. The employer's principal duty is to ensure, so far as reasonably practicable, the health, safety and welfare of its staff. It is difficult in my view to anticipate how an employer could still be responsible for its staff by sending them home early. Once the staff leave the building they are, within reason, no longer the responsibility of their employer.



If staff can't get home is it the duty of the company to provide for them?

I note that the respondents marginally answered in favour of there being a duty to provide for staff who can't get home. Much probably depends upon the reason why the staff can't get home. If the reason is because there is a terrorist incident outside the premises then it is far easier to foresee a duty of the company to provide for those staff. If however the reason is that the staff live a long way from work and transport services are disrupted then it is more difficult to foresee a duty arising as the problem is a consequence of the employee's choice to live far from work rather than the fault of the employer.

If staff refuse to leave the building is the business responsible for them?

I see that the response more strongly favours ongoing responsibility, with which I agree. For as long as staff remain in the building the employer’s principal duty to ensure, so far as reasonably practicable, their health safety and welfare will remain.

Can you force staff to stay in a building?

I see that the respondents strongly favour not being able to force staff to stay in a building, with which I agree. Forcing staff to stay in a building against their will prima facie constitutes a false imprisonment which is both a tort (and therefore a civil wrong) and a criminal offence. The only relevant defence for a claim for false imprisonment would be if the employer

was entitled to arrest the person trying to leave the building. Therefore, unless exceptional circumstances apply, employers would be ill advised to force staff to stay in a building. Care should be taken if, for example, the Police had requested the employer not to allow staff to leave the building in which case the employer would be under an obligation to make very clear to the staff the Police instruction.



Must businesses provide overnight facilities for staff to stay in the building?

The answers here are more evenly split. My view is that there is no obligation to provide overnight facilities for staff to stay in a building unless of course overnight working is a regular feature.

Would you apply the same rules (in the answers to the questions above) for staff or customers who are under 18 years of age?

Staff or customers who are under 18 years of age are particularly vulnerable and therefore extra special considerations would apply. To the extent that the responses above indicated that there was no duty of care I would be inclined normally to find the existence of such a duty of care for staff under 18 years of age.

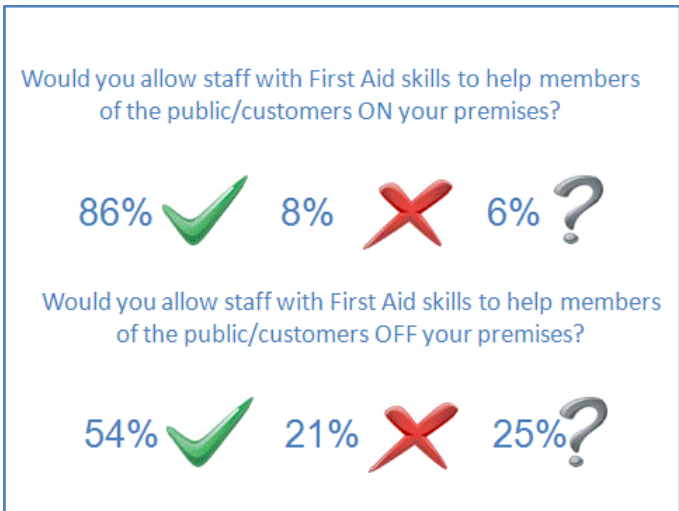


Would you allow staff with First Aid Skills to help members of the public/ customers ON your premises?

I note that the overwhelming answer to this is “Yes”. I am concerned by this question. I would prefer that staff with such skills were insured to provide First Aid to members of the public/customers before doing so. It is difficult to foresee how a business would owe a duty of care to members of the public to require staff with First Aid Skills to help those members of the public; the existence of the duty is more obvious with customers on the premises.

Would you allow staff with First Aid Skills to help members of the public/customers OFF your premises?

From a legal perspective it would be sensible not to allow this to happen as by assuming responsibility for individuals’ health the staff member would assume responsibility for any negligence in their treatment of the person and arguably the employer may, if it has sanctioned that treatment, be liable.

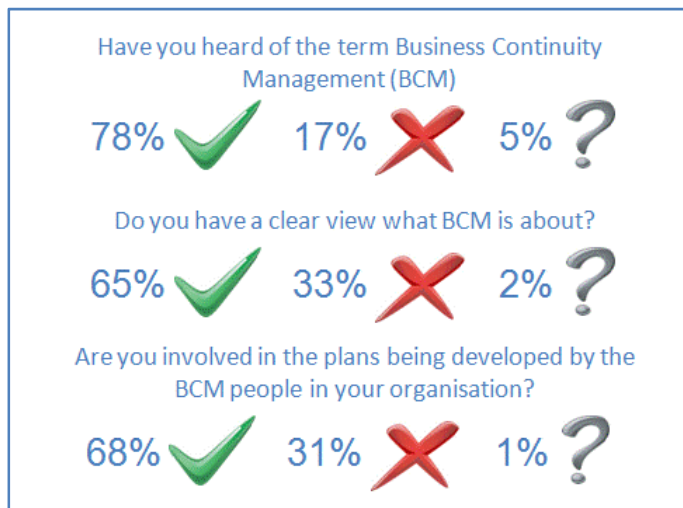


The Delegate response

The response from Bircham Dyson Bell did prompt some comments where participants felt that if a fire alarm were to ring and someone refused to leave then an organisation should not still be liable as it would put others at risk in trying to force them out of the building. Other participants felt uncomfortable with the advice on First Aiders helping members of the public. Some felt that there would be a duty of care for members of the public.

Outside of the workshop an input received from Jim Grafton AMBCI suggested that insurance could be sought for First Aiders with a St John’s Ambulance certificate under a Good Samaritan clause which can be invoked if an organisation’s insurance company is asked.

The Level of Engagement of HR and Business Continuity Management Professionals



The final questions from the survey show clearly that HR respondents to the survey were both familiar with the term Business Continuity Management and involved with BCM practitioners in their organisations.

Final Question

The final question asked whether the respondent believed that HR has an important role to play in Business Continuity Management. The response was as follows:



Clearly a conversion process had occurred through responding to the questions in the survey as 22% of respondents were in the dark about BCM at the start but only 7% of these were still unsure or disagreed with the proposition by the end!

Comment and Discussion on the Research

Mike Emmott, Policy Advisor at the Chartered Institute of Personnel & Development made the following comments on the research and previous work on the role of HR around risk management:

- Performance and wellbeing issues were key for HR professionals and therefore HR should engage on this subject.
- However the challenge from the HR perspective is working out where Business Continuity Management fits within their professional terms of reference as it is at one level a strategic HR issue and at another it is can be extremely tactical.
- The other aspect is its diversity – the array of frequency and severity of risks and how they fit in management priorities will vary greatly from organisation to organisation.
- On the positive side, Mike suggested that risk management was now seen as part of the new CIPDs professional map which was in draft form at the current time.

Other Delegate Comments

- HR are clearly more used to having a dialogue with staff and therefore BCM could plug into existing communication processes.
- Businesses with for example contact centres would clearly have a greater level of HR involvement due to the reliance on people within the business.
- Pandemic flu was seen as a good way of inducing a dialogue with HR, likewise involvement in scenarios and exercises and sitting down with HR with incident reports e.g. following adverse weather.

The Workshop Session

The workshop session was structured in the form of a number of questions posed by David Lloyd, the BCI's development consultant.

The first part of the workshop focused on how you would recognise a Business Continuity Plan that had considered people issues; and how you would articulate the benefits of including these issues in the plan.

Attributes of a people-centred BCP

- Evidence of a plan for cross-training
- Evidence of succession planning
- Specific details within the plans, for example extraction levels with pandemic planning.
- An emphasis on communicating with people.
- Alternative working hours.
- A source of information for staff, for example a helpline
- A process for locating staff, to ensure that they are safe.
- Defined travel arrangement procedures
- A policy statement of the importance of staff welfare from senior management.

Benefits of a people-centred BCP

- Staff retention and increased resilience
- Speed of recovery
- Improved understanding
- Minimise disruption
- Better understanding of service impacts and therefore more accurate planning
- Staff goodwill leading to a greater willingness to work and deliver greater performance when it is most needed.
- Staff are more likely to follow the plan.
- Increased flexibility to deliver the plan.
- Long term positive impact on staff.
- Litigation defence. It was noted that keeping a record was important.
- The ability to continue to deliver a service in spite of the disruption.
- Buy-in from senior management
- Future opportunity

The second part of the discussion considered what role HR could play and how to improve engagement. These are listed below.

- Use pandemic plans as an example of a BCM issue to engage HR.
- BC champion within HR function – point of contact.
- What do HR people think they should be doing?
- Staff communications – BCM response “we do that anyway”
- Succession planning and professional development.
- Policy interpretation – move from BAU policy to crisis management policy.
- HR would be involved in “welfare” of staff – counselling, assistance.
- HR should be involved in negotiations with the unions and changes of contracts.

- BCM think HR should deal with notification of next of kin, casualties – liaison with emergency services – aftermath issues.
- Practical involvement on real issues. When an incident occurs involve HR to help them understand e.g. snow disruption. Involve HR in debriefs.
- BCM presentation at HR meetings
- Scenarios/exercises
- Part of BCM role is to sell BCM to HR (update professional map to make the BCM manager go and speak with certain functions).

Conclusions and Next Steps

Where next? The BCI would like to build a stronger relationship with the HR profession. The advice from the CIPD representative was to understand where risk and business continuity management would fit within the HR professional map. It was suggested that a co-branded guide could be developed. Other thoughts would include training courses for HR professionals, affiliate membership of the BCI, workshops, consultations and a new survey next year with the co-operation of the CIPD.

About Business Continuity Management

Business Continuity Management (BCM) identifies potential threats to an organisation and the impacts to business operations that those threats if realised might cause. It provides a framework for building organisational resilience with the capability for an effective response that safeguards the interests of key stakeholders, reputation, brand and value-creating activities.

About the Business Continuity Institute

The Business Continuity Institute (BCI) was founded in 1994 and leads on the development of best practice in Business Continuity Management. The BCI also contributes to relevant legislation and standards. It has some 4,500 members in over 80 countries active in an estimated 3,000 organisations in private, public and third sectors. The BCI Partnership, established in 2007, is the corporate body within the BCI numbering some 60 organisations including Marsh, PwC, Aon, Prudential, HP, SunGard, BT, Milton Keynes Council and the UK Government's Cabinet Office.

Contacting the Business Continuity Institute

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