INDEPENDENT PUBLICATION BY
RACONTEUR

RACONTEUR.NET | #0680 | 02/08/2020

BUSINESS CONTINUITY & GROWTH

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PEOPLE MANAGEMENT

Empathy and compassion crucial in COVID-19 era

The pandemic has forced businesses in every sector to adapt, but those that have maintained a duty of care to employees amid the disruption will be the ones to prosper in the long term

Karam Filfilan

The coronavirus pandemic has changed the world of work irrevocably, pushing businesses and employees into uncertain and unstable territory. At the same time as facing unprecedented challenges to their mental and physical health, employees are grappling with new working paradigms, shifting from offices to home working, clock-in culture to flexible hours.

Throughout this uncertainty, business leaders have had to navigate their organisations to safety and provide a duty of care to both employees and customers, often under deep scrutiny.

Pub chain JD Wetherspoon faced criticism from customers in March after furloughing 99 per cent of its 43,000 employees, with chairman Tim Martin telling employees to work in supermarkets, despite an annual turnover of £1.8 billion in 2019. Similarly, Liverpool Football Club, which made a pre-tax profit of £42 million in 2019, reversed a decision to furlough non-playing staff after a backlash from supporters.

"Businesses are more than ever being judged on how they treat their employees and how they look after them," says Peter Cheese, chief executive of the Chartered Institute of Personnel and Development.

"What we have all learnt is the importance of understanding people's wellbeing. When people connect on video chat, the first question asked is 'how are you?' It's not a platitude any more, people mean it. Wellbeing is front and centre, and as we progress through this crisis, anxiety around returning to work and mental health challenges will continue."

Cheese believes the pandemic will provide a catalyst for real change in how businesses operate and people work.

"This crisis has been the biggest home-working experiment in history. Traditionally, our business mindset has been focused on presenteeism and a lack of trust in our people: 'if I can't see them, I don't know they're working'. We're now having to trust our people more and the positives from this are a more agile, responsive workforce," he says.

> **People have reframed their expectations of work. They now expect their leaders to see them as human beings first**

For many employees, a return to pre-lockdown working practices is unthinkable. A survey of 2,000 workers by O2 and YouGov found that nearly half (45 per cent) expected to work more flexibly after lockdown is lifted, with a third expecting to work from home three days a week and 81 per cent wanting at least one remote working day. So how will businesses respond?

Organisational consultant and psychologist John Amaechi believes organisations won't have a choice if they want to survive.

"Had the COVID-19 pandemic lasted a couple of weeks, businesses leaders could have made sweeping changes – remote working, focusing on employee wellbeing, mental health provision – and then reverted back quite easily, but you can't do that after a quarter of a year," he says.

"People have reframed their expectations of work. They now expect their leaders to see them as human beings first. A huge number of employees now realise they can eat dinner with their kids or they can spend time with their spouse and still work; that isn't going back."

This focus on the employee as an individual is perhaps the biggest cultural outcome of the pandemic. With video chats interrupted by screaming children, virtual meet-ups and a genuine crisis that could affect anybody, businesses have been forced to confront the fact they're made up of real people. Employee wellbeing and mental health support have become as important as profit and productivity.

Good examples include Lloyds Banking Group, where 45,000 employees have shifted to remote working, implementing a focus on mental health. The bank has provided employees with 24/7 access to counselling, set up an online centre advising colleagues on how to deal with the pandemic, offered workshops on yoga, virtual choirs and wellbeing activities, and sent office equipment to help homeworkers settle into a new way of working.

The organisation is also helping customers by providing 2,000 free tablets to those aged 70 and over, alongside a dedicated phone line to help less digitally minded customers bank online.

Ongoing communication and trust are vital to ensuring employee wellbeing and customer satisfaction, says Linda Mountford, Northern Europe commercial human resources director at Thai Union and John West.

"Following the COVID-19 outbreak, our employees had to quickly adapt to remote working, while also dealing with the additional pressures of the grocery supply chain," she says.

Weekly leadership calls, daily coffee mornings and regular one on ones have all been implemented, but the manufacturer has also tried to maintain a work-life balance by discouraging calls between 12pm and 1.30pm and after 5.15pm, and giving all team members a day off every three weeks in additional to holiday entitlements.

Thai Union is careful in its use of terminology, preferring not to use the phrase "return to work". "We're talking about a 'return to the office', as all our crew are working extremely hard at home. We're planning a phased return, with volunteers first. We're also proactively supporting those who are vulnerable or have vulnerable family members. Maintaining the great trust we have with employees and being sensitive to their needs is key," says Mountford.

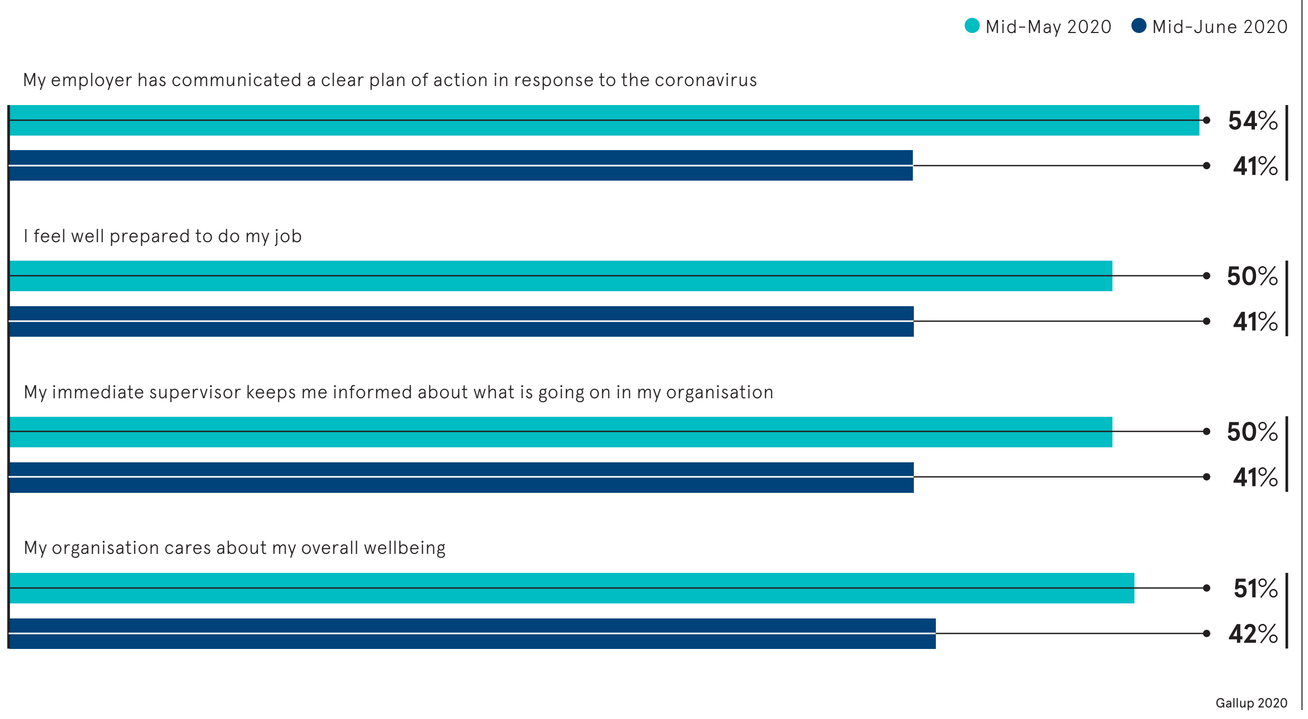
For successful businesses, building on the trust, empathy and personal connection they've made with employees during lockdown will be central to managing the transition back to the office. But those leaders who expect business to return to the pre-lockdown status quo are in for a shock. They may find that in a squeezed market, consumers remember those who acted unfavourably during the crisis.

"The biggest thing during this pandemic has been behavioural integrity; what leaders say is very closely related to what they do. This is what counts for people when trust is on the line. Secondly, in times of uncertainty, you have to update people iteratively. There's no point making one big declaration 16 weeks ago and then nothing. You have to communicate so much that you think it's overkill and even then it's probably not enough," says Amaechi.

And for businesses that don't keep it up? "Nothing will change for 18 months, as we're going to be in a recession so people won't leave. But two years from now, LinkedIn will be aflame with excellent candidates ready for the next move and it won't be with the organisation they've just tolerated for the last year," he warns. ●

LEADERSHIP CARING DECREASES

Percentage of full-time employees and managers who agree with the following statements



Gallup 2020

45% of workers expect to work more flexibly after lockdown is lifted

33% expect to work from home three days a week

81% expect at least one remote working day

YouGov/O2 2020

Distributed in
THE SUNDAY TIMES

Published in association with
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Thought leadership partner
PROCUREMENT LEADERS

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Influence Responsibility

Sustainable Supply Chain Technology

Direct-To-Consumer Ecommerce | Inventory Management

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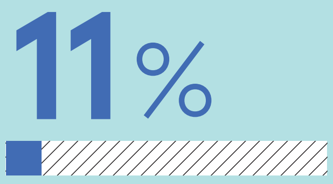
Commercial feature

DATA USE MATURITY IS A GLOBAL CHALLENGE

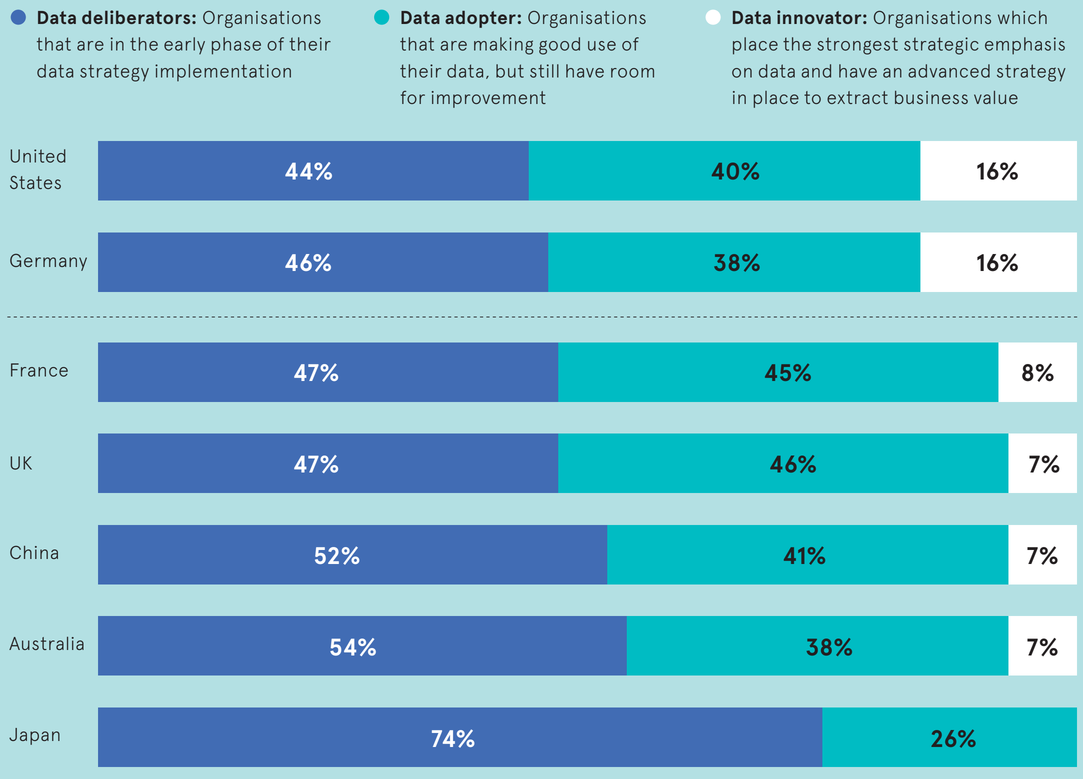
New research analysed 1,350 organisations worldwide to discover a three-stage maturity curve for data use. Across the survey, there were regional patterns in the data, but one truism stood out: Regardless of location, most organisations have a massive opportunity to improve their data use maturity. Only US and German organisations attained data innovator status at a rate above the global average (16 per cent for both, versus 11 per cent globally). This means that even in the most data-advanced countries, 84 per cent of organisations surveyed still have significant work to do to increase their data use maturity — and significant benefits to be maximised as a result.



of organisations globally achieve innovator status

DATA USE MATURITY BY COUNTRY

Percent of respondents in each country in each maturity stage



What is Your Data Really Worth?, Enterprise Strategy Group/Splunk

How data fuels resilient workplaces

Resilience, underpinned by agility, has been a crucial ingredient for business continuity during the coronavirus pandemic. Data, as the key to agility, is vital for leadership in the new normal

The coronavirus crisis has illuminated not only the importance of data for decision-making, but how difficult it is to work with. As governments have seen during the pandemic, data is often messy and unpredictable. They have faced great challenges in piecing together information coming in at different times from hospitals and agencies. Businesses face the same challenges in trying to inform their decision-making.

Not all organisations had a robust data strategy going into the pandemic and those that didn't have been left scrambling to find what data they have, what parts of it are important to them and exactly how they can apply it. Having data is one thing, being able to interpret it and then make a decision is quite another. Companies too often find it difficult to align action with goals when it comes to analysing and interpreting their data.

"Our clients that had already undergone a data transformation were in a much better position to adapt to remote working," says James Hodge, chief technical adviser at software firm Splunk. "Others had to race to rethink their access and security policies or send out thousands of laptops because staff were used to working on desktop PCs in the office. It's been a real awakening, not just for the tech industry, but any business. It has caused so many companies to realise the importance data plays in decision-making.

"At Splunk, we made the transition to remote working seamlessly overnight. We're lucky because we're an organisation of knowledge workers, so with a laptop and an internet connection we can, on the whole, work from anywhere. But, actually, a lot of what enabled us to switch seamlessly overnight was down to the fact that we'd moved to software-as-a-service over the last few years. Almost all our business processes are cloud based. They're all agile. Rather than having some 30 offices around the globe, we were able to transition to 6,000 offices distributed globally."

Organisations have been gradually moving to a more data-driven style of leadership in recent years, but the COVID-19 pandemic is now set to accelerate that shift drastically. Those leaders who have taken the leap of faith and changed their leadership style around data have already been able to embrace a more agile approach to business.

Splunk is helping companies build a more resilient workplace, supported by data. Its world-first "data-to-everything" platform allows organisations to monitor, investigate and act on all forms of data, and has played a crucial role in powering businesses with the agility they need to respond quickly to critical events, such as the pandemic.

"When countries started enforcing lockdowns, we supported a lot of customers in understanding VPN [virtual private network] usage and other access components," says Hodge. "We also spent a lot of time working with chief information security officers to help them understand the changing landscape so they could be more confident about people accessing their networks from home. Now we're helping organisations restart their business and the economy, using data to guide and manage their approach.

"Businesses are changing. People are shopping online and interacting through their smartphones at a higher rate than ever before. We're also seeing a big transition from people being loyal to brands to being much more loyal to experiences. After you have your workers able to access things and your security in place, we allow companies to completely reinvent and transform their business in the digital age. Our data-to-everything platform helps companies to deliver those meaningful experiences."

> **We're helping organisations restart their business and the economy, using data to guide and manage their approach**

A data-driven approach fuels businesses with the flexibility to pivot quickly. As companies balance the restart of their operations with that risk, data allows them to understand the fluidity of an evolving situation and make the right decisions at the right time. For example, data enables companies to notify employees if they have been in the office at the same time as somebody who later tested positive for coronavirus. But the depth of data insights go beyond track and trace.

As organisations now look to reimagine their workspaces in the wake of the pandemic, Splunk is helping companies examine their office usage. By exploring data associated with which parts of the office are being used more than others, organisations can look to repurpose certain areas. Likewise, if they see there is too much density in one space, they can take steps to ensure staff aren't congregating and are appropriately distanced.

Data also enables more digital ways of working, such as putting in an expense report, booking a meeting or interacting with learning portals. The easier it is for employees to interact with the key services they need, the easier it is for them to do their jobs more productively, which is extremely important in the context of restarting operations. As businesses look to build the workforce that will support them in the new normal, data is crucial to decision-making and removing unnecessary burdens.

Hodge identifies five steps organisations should take to achieve resilience through data, starting with designing the data strategy with privacy in mind. Indeed, businesses that fail to do so are no longer trusted by end-consumers. Secondly, organisations should empower their teams to investigate. When employees are empowered to make decisions with contextual data, it is a "liberating and fulfilling experience", he says.

Next, companies must establish partnerships and basic access to data, including public data, which is very important to forming a cross-functional rapid-response team. A colleague in another area of the business will look at the same problem through a completely different lens. Such cross-functional teams, and a real diversity of thinking, enable employees to iterate much more quickly through the next challenges that arise.

"Preparing for the new wave of data is number four," says Hodge. "Companies can reinvent themselves because they give data to the frontline staff, who have confidence to get new products out to market faster. Finally, start looking at how emerging technologies like artificial intelligence can also aid decision-making and taking the burden off people.

"Data-driven leadership ultimately requires collaboration, curiosity and courage. Have faith in the data, the way you interpret it and the policies you put in place to be able to act on it. Too often people see data and don't believe what it's telling them and revert back to their previous ways of working. Changing that mindset is incredibly important to achieving agility and therefore business resilience in these challenging times."

For more information please visit splunk.com/globalrestart

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Anders Jildén/Unsplash

FINANCE

Tools to help navigate your recovery

The finance function is central to a company's ability to survive the crisis and digital tools can ensure their speed and agility

Oliver Pickup

When crises hit, organisations always lean heavily on their internal finance specialists to reduce costs, streamline operations and plot a roadmap to recovery, in that order. While lessons should have been learnt after the global economic crash a dozen years ago, and more robust business continuity plans established, it was impossible to predict the speed, scale and severity of the coronavirus pandemic.

Once again, business leaders are looking, desperately, to their finance teams for rapid solutions to colossal challenges. It's a mighty responsibility, given the amount of uncertainty and an impending global recession.

"During the current crisis, C-suite executives rely on financiers to identify the most cost-effective sources of financing, not only for the survival of the firm in the short run, but also for the growth that follows economic stagnation," says Dr Nikolaos Antypas, finance lecturer at Henley Business School.

"For most companies, the top-down directive is survive first, grow later. Since the pandemic started, the role of internal finance has shifted towards turning down or postponing indefinitely any project or cost item with non-existential importance."

However, unlike in 2008, access to digital technologies, cloud storage and data analysis are enabling faster results, greater agility and collaboration, and better forecasting. If COVID-19 has accelerated digital transformation, the financial function is in the driving seat of that change.

Laggard organisations that decline to embrace technology will fail. And even industries that have rallied well since lockdown, such as ecommerce and healthcare, should be anticipating more obstacles on the road to recovery.

"The threat of decreasing revenue looms ominously," warns Antypas, nodding to the tapering of the furlough scheme, which could trigger a sharp rise in unemployment. "No company should be complacent with their current success; their customer base is about to lose its revenue stream and that loss can have devastating ripple effects. Even the most profitable company can suffer if cash flows are not managed efficiently."

Red Flag Alert, a credit risk management company, has amassed financial data of UK businesses for the last 16 years. The analysis is bleak. "UK industry is facing a mountain of unsustainable debt; it could be as much as £107 billion," says Mark Halstead, a partner at the Oldham-based firm.

"Technology and data will be critical to companies bouncing back from the pandemic. It will also enable businesses to protect themselves and strive for growth in an economy saddled with record levels of debt."

Organisations that invested in digital technologies and evolved the financial function before the pandemic have an early-adopter advantage. Kaziu Gill, who co-founded London-headquartered LimeGreen Accountancy in 2009, has long promoted accountancy software and other digital tools to his clients, who are mostly small and medium-sized businesses in the creative industries.

"COVID-19 has forced many businesses to change and become leaner and more mobile, but we have managed to continue without any disruption," he says. "In some cases, we have been more productive.

"We are seeing more businesses exploring how they can grow digitally and the suite of tools that we use complements any organisation's approach to budget and forecasting."

LimeGreen enjoys a partnership with cloud-based accounting software platform Xero. "We offer plug-ins to Xero, like Spotlight, which is a great forecasting tool, and Receipt Bank," says Gill. "And there are other project management tools that help link the financial function with human resources, such as CakeHR. We have always strived to utilise tech and now financial functions simply have to make that transition to digital. Pieces of paper are no good when you can't send or receive physical mail during lockdown and with remote working."

He argues that the recent open banking directive – a government-enforced programme designed to open up banking data, launched in 2018 – strengthens the case for finance departments to embrace digital tools. "It's the perfect time because every bank in the UK is obligated to open up their application programming interfaces so third-party software companies can use them."

Xero, for instance, recently launched a short-term cash-flow tool that projects bank balances 30 days into the future, showing the impact of existing bills and invoices, if paid on time. "This capability helps the financial function to scenario plan accurately and make changes to business plans instantly," explains Donna Torres, Xero's general manager of global direct sales and operations.

"It's more important than ever for organisations to have an up-to-date view of their cash flow so they can plan, forecast and make the right decisions about their future. Cloud accounting technology provides a real-time snapshot."

Financial functions that push to arm their organisations with other digital tools, including artificial intelligence-powered document scanning and e-signature, are discovering they can achieve company-wide efficiencies almost overnight.

Mike Plimsoll, industry head of financial services at Adobe, offers a banking example. "Facing increased demand with reduced branch capacity to maintain social distancing, TSB acted quickly to transform a significant amount of offline forms into digital-only interactions, creating an end-to-end journey for its personal and business banking customers," he says.

"After implementing Adobe Sign, TSB managed over 80,000 customer interactions in the first eight weeks, saving the need for up to 15,000 potential branch visits."

> **Technology and data will enable businesses to protect themselves and strive for growth in an economy saddled with record levels of debt**

Plimsoll posits that by switching their processes and establishing digital technologies, finance teams have been able to "keep the business moving and react quickly to the shifting landscape and help steer a course through the uncertainty".

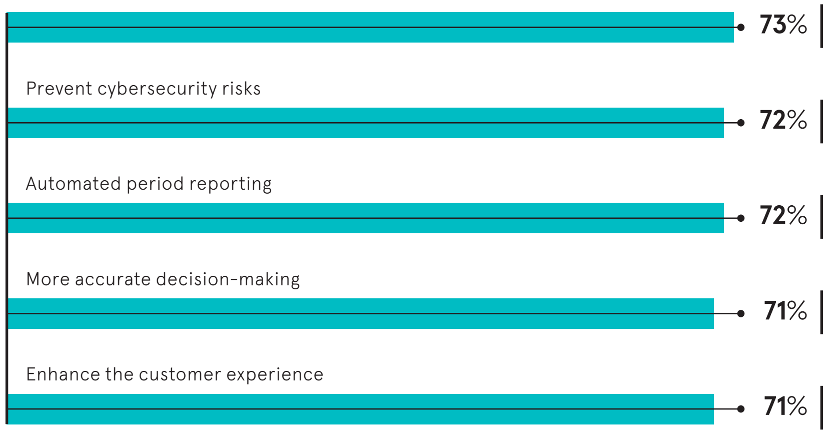
Adopting a shorter planning window is paramount for business continuity and recovery, says Thomas Sutter of Oracle NetSuite's Global Solutions Centre of Excellence. "Most businesses operate on a 12-month budget cycle and manage strategic plans with longer timeframes, but at this time the focus must shift to immediate priorities," he says.

"Now more than ever, establishing a clear framework of visibility and control will streamline and protect cash flow in the short term, keep customers happy, and reveal new and innovative options business leaders have available to drive the business forward in the future. Finance leaders and their teams will be at the heart of these strategic moves."

Finance departments may have had more responsibility thrust upon them when COVID-19 hit, but it seems their role will only grow in importance in the coming months and years. Technology is both empowering and enabling their new lofty status. ●

FUTURE FINANCE TECH

Percentage of financial decision-makers who listed the following as the top areas of impact for emerging technologies



Sage 2020

THE COVID-19 EFFECT

Few would have predicted the catastrophic consequences that the coronavirus has had on business operations, finances, staffing and the wider economy, with the aftershock of the global pandemic felt across nearly every industry. What the last few months have taught businesses, however, is the importance of having robust continuity plans and risk management frameworks in place to help mitigate the impact of any future crises

24%

of businesses surveyed in February were only just developing their first ever business continuity plan in response to the COVID-19 outbreak

Mercer 2020

12%

believed at the start of March that their businesses were highly prepared for the impact of coronavirus

Gartner 2020

70%

of companies said their primary continuity concern is further disruption from a second wave of the virus

International SOS 2020

21%

admitted in June that they still didn't have a pandemic plan and process in place

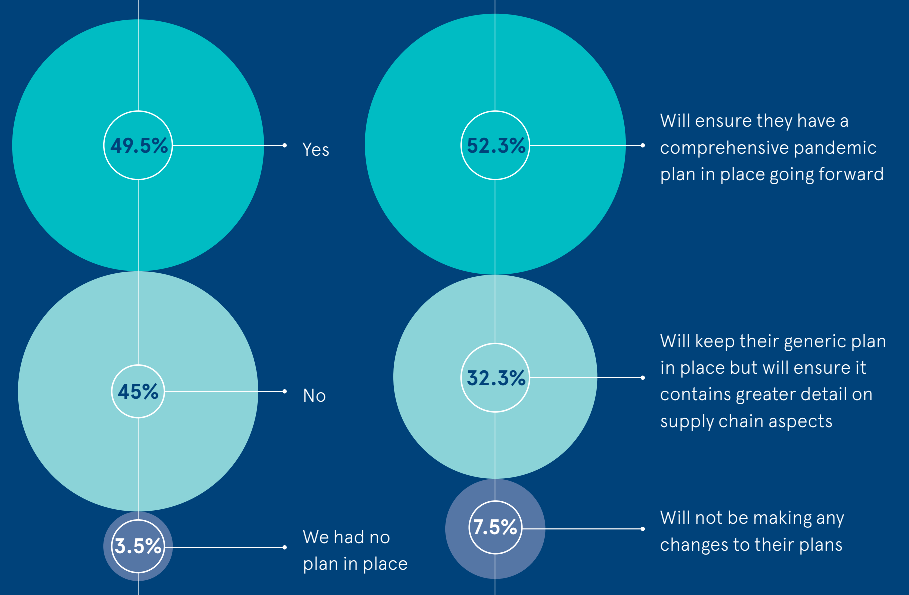
International SOS 2020

95%

said they will assess whether they need to revisit their enterprise risk management framework and continuity plan as a result of COVID-19

Guidehouse 2020

BEFORE AND AFTER COVID-19



Businesses were asked whether their plans were sufficient to cover supply chain issues that arose from COVID-19

49.5% Yes

45% No

3.5% We had no plan in place

How business were changing the way their plans for future events

52.3% Will ensure they have a comprehensive pandemic plan in place going forward

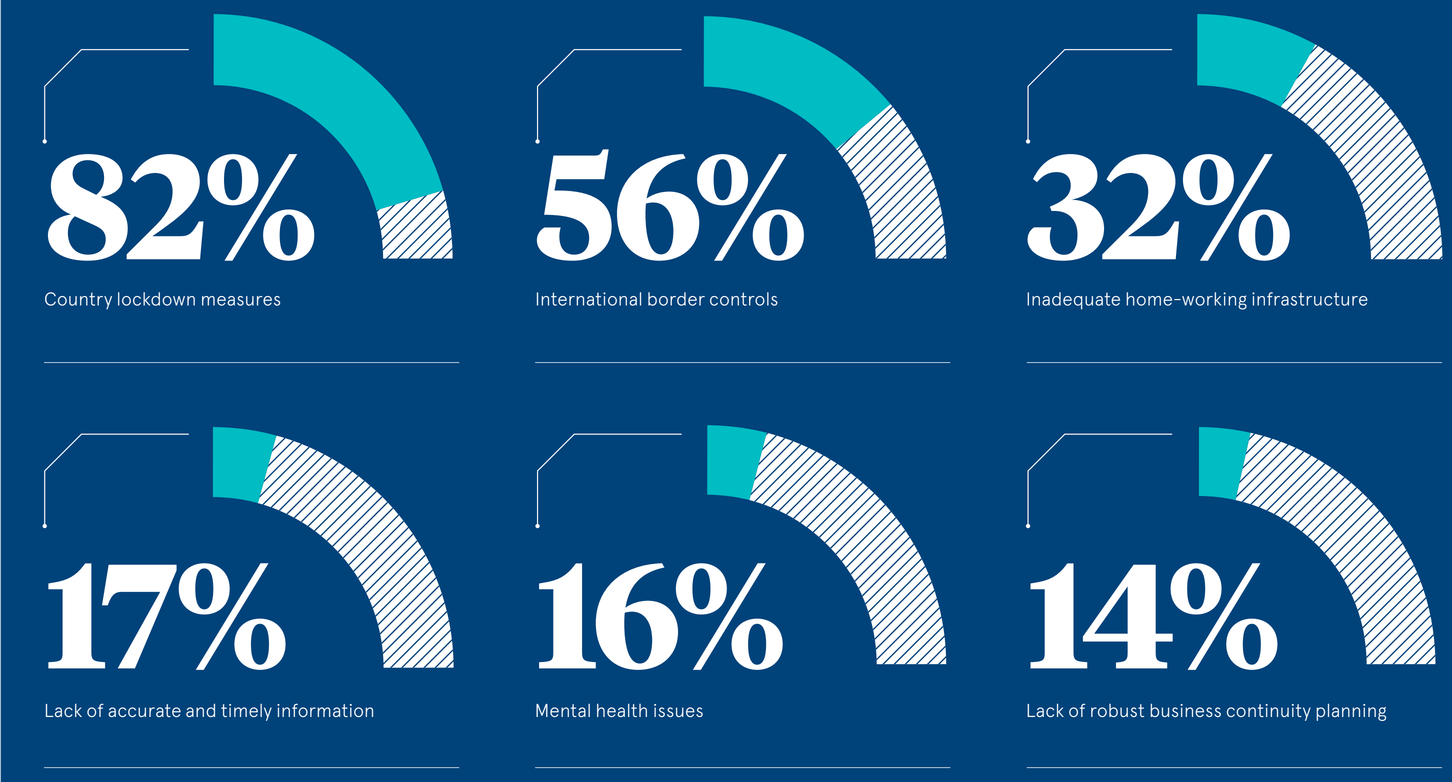
32.3% Will keep their generic plan in place but will ensure it contains greater detail on supply chain aspects

7.5% Will not be making any changes to their plans

BCI 2020

TOP ISSUES AFFECTING BUSINESS CONTINUITY

Percentage of companies that said the following issues were affecting continuity of operations



82% Country lockdown measures

56% International border controls

32% Inadequate home-working infrastructure

17% Lack of accurate and timely information

16% Mental health issues

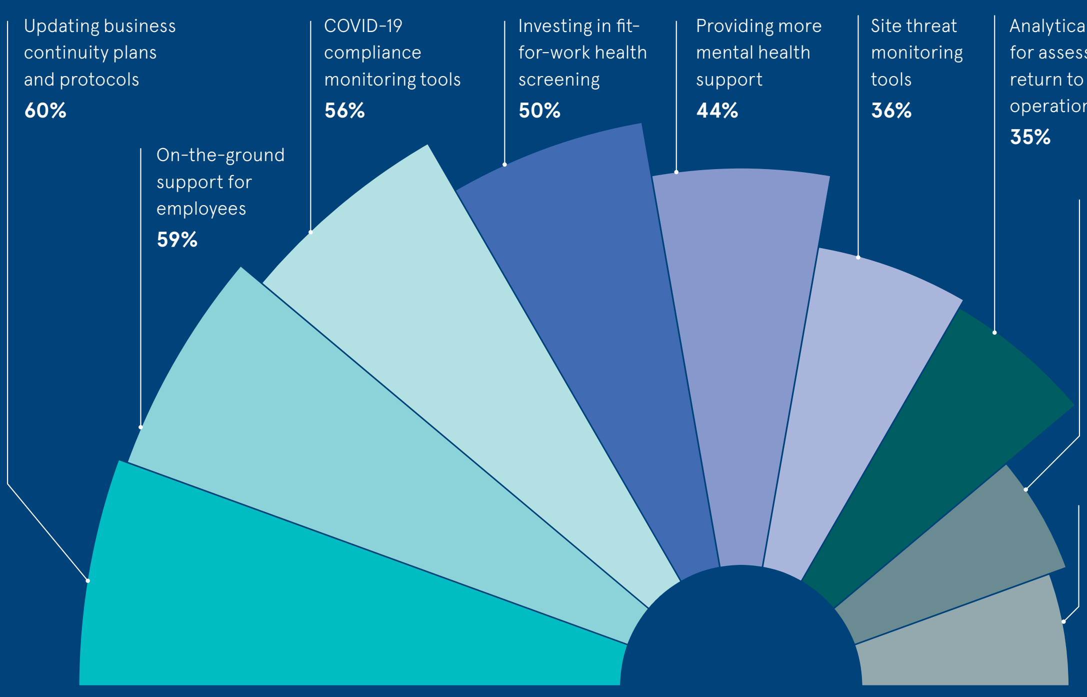
14% Lack of robust business continuity planning

International SOS 2020

PREPARING FOR THE RETURN TO WORK

Steps that companies are planning to implement as they transition back to on-site work

International SOS 2020



Updating business continuity plans and protocols 60%

On-the-ground support for employees 59%

COVID-19 compliance monitoring tools 56%

Investing in fit-for-work health screening 50%

Providing more mental health support 44%

Site threat monitoring tools 36%

Analytical tools for assessing return to work/operations 35%

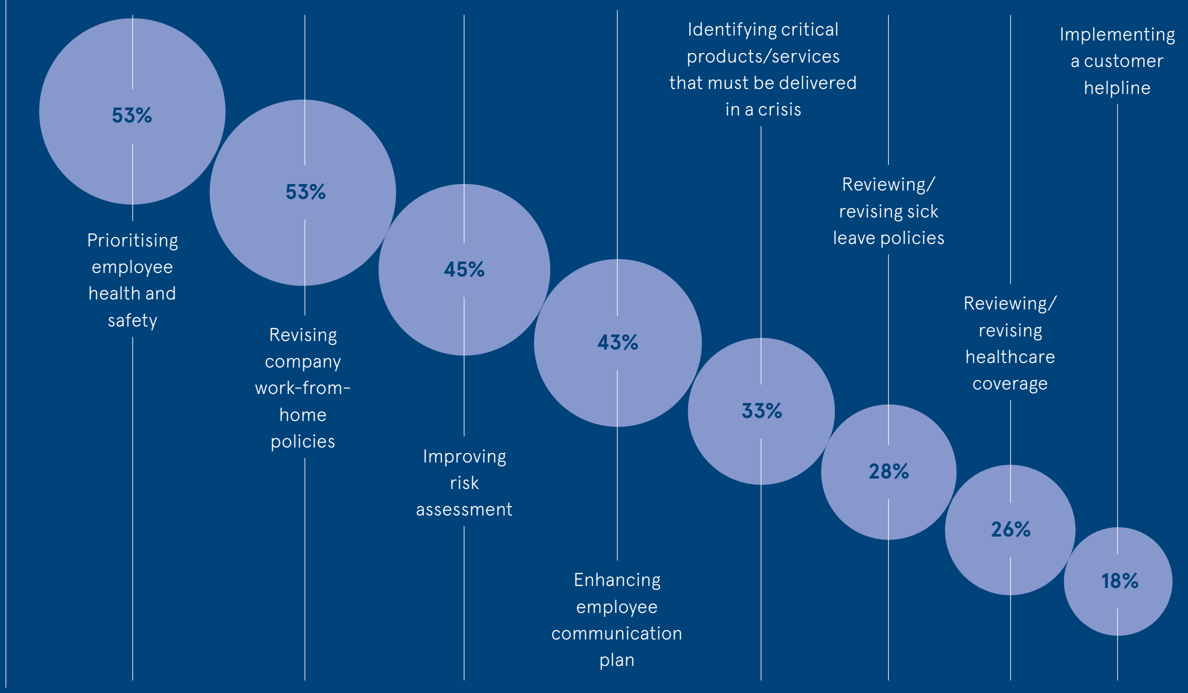
Investing in telehealth services for employees 25%

Increased investment in employee healthcare 23%

HOW COMPANIES ARE CHANGING CONTINUITY PLANS

Survey of small and medium-sized enterprises which are creating new plans or existing plans as a result of COVID-19

TriNet 2020



53% Prioritising employee health and safety

53% Revising company work-from-home policies

45% Improving risk assessment

43% Enhancing employee communication plan

33% Identifying critical products/services that must be delivered in a crisis

28% Reviewing/revising sick leave policies

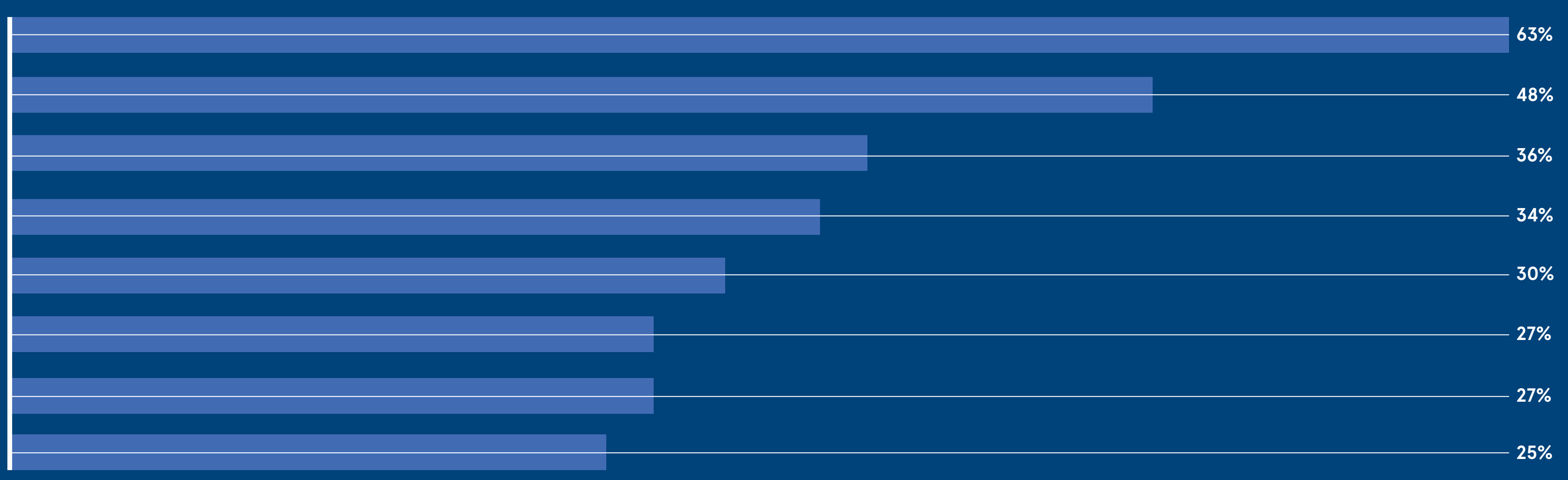
26% Reviewing/revising healthcare coverage

18% Implementing a customer helpline

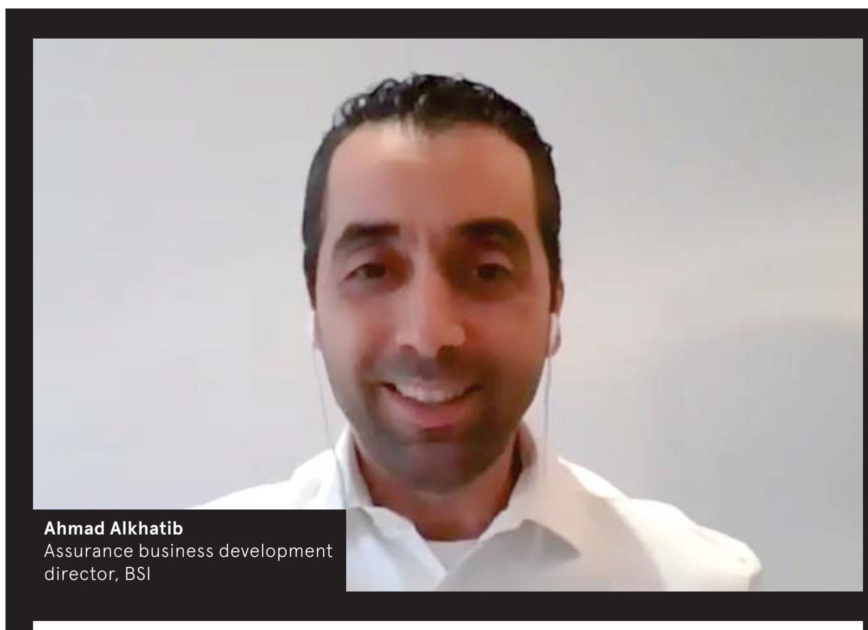
GROWING THE TOP LINE

The following measures are important to rebuilding or enhancing revenue streams as a result of COVID-19, according to a survey of CFOs

PwC 2020



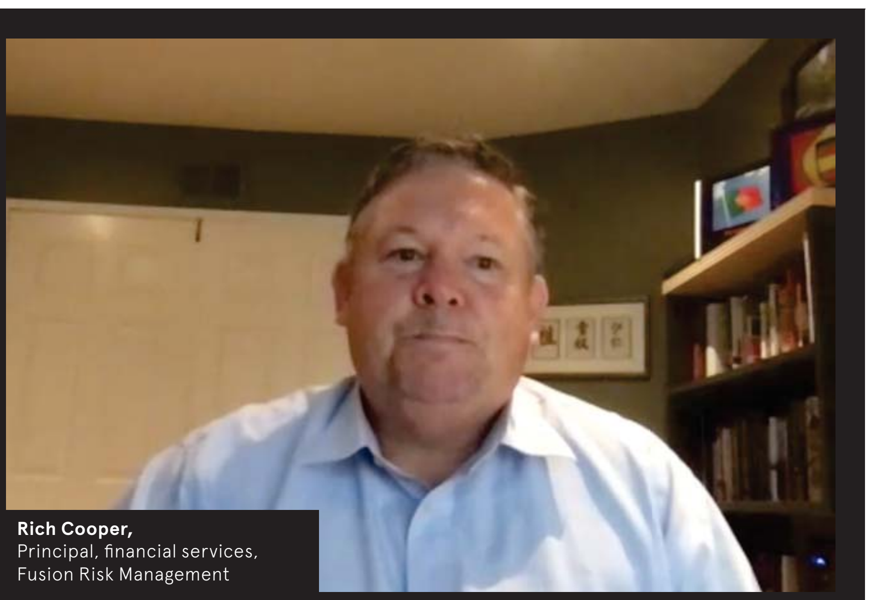
Products or services (for example, offering new, enhanced, repurposed or pared-down solutions)	63%
Pricing strategies (for example, increasing/decreasing prices, offering different payment terms)	48%
Distribution channels (for example, changing from in-person to virtual sales or delivery)	36%
Customer segments (for example, selling direct-to-consumer, targeting new industries)	34%
Supply chain strategies (for example, develop alternate sourcing options, change contractual terms)	30%
Geographic markets (for example, entering new markets, leaving current markets)	27%
Talent (for example, recruitment and upskilling)	27%
Mergers, acquisitions, joint ventures or alliances	25%



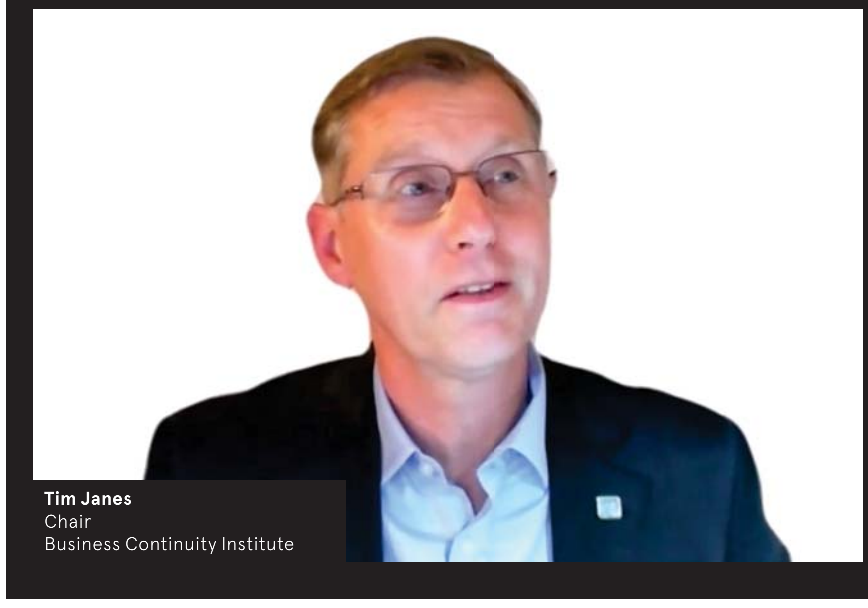
Ahmad Alkhatib
Assurance business development director, BSI

Rhys Bush
Vice president, Europe, Middle East and Africa, Avetta

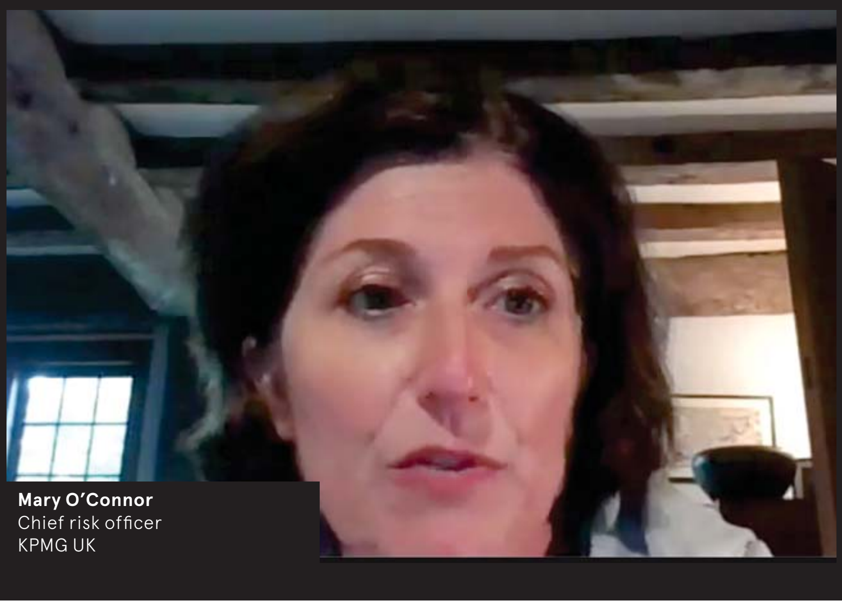
Avetta
SUPPLY CHAIN RISK MANAGEMENT



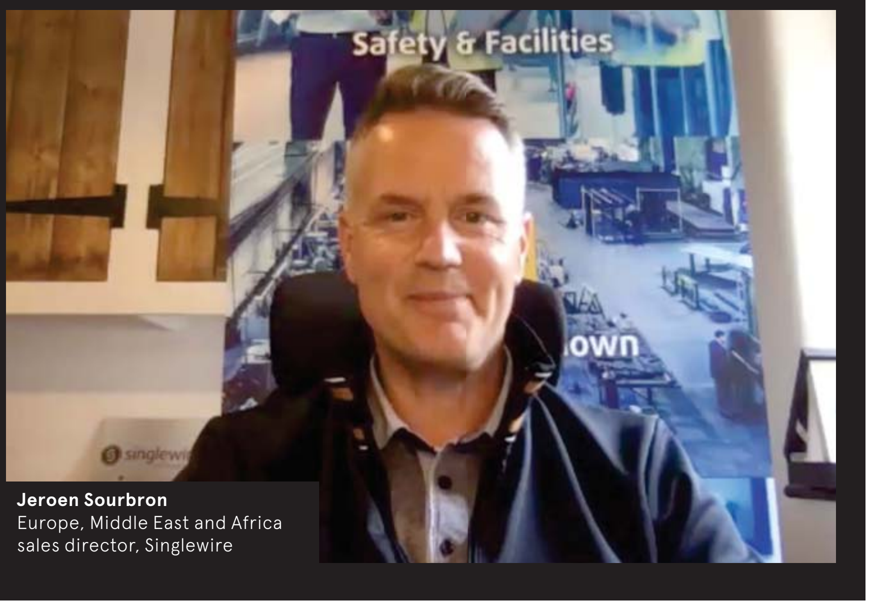
Rich Cooper,
Principal, financial services, Fusion Risk Management



Tim Janes
Chair
Business Continuity Institute



Mary O'Connor
Chief risk officer
KPMG UK



Jeroen Sourbron
Europe, Middle East and Africa sales director, Singlewire

ROUNDTABLE

Drawing practical lessons from the crisis

Better use of data, holistic planning and a greater focus on people. These were among the lessons from the pandemic discussed by six experts in a Raconteur virtual roundtable

Gren Manuel

Q Has the coronavirus crisis made companies take business continuity more seriously?

TJ We've been surveying our members in the Business Continuity Institute over many months and it's shown the crisis has certainly made senior executives pay attention. They now understand why they have been spending all this time preparing for business continuity.

AA The feedback we've been getting from clients is that the pandemic has brought business continuity much more into focus. The additional point is the need to have a much broader, holistic approach to business continuity, looking at organisation-wide resilience, not only to survive disruption but, more importantly, the ability to respond and adapt to prosper. We did a COVID-19-centric pulse survey in April in the United States and the results were astonishing. Some of the top concerns were around supply chain resilience and we all know that the supply chain has been a key aspect of this pandemic.

JS We're in the mass-notifications business and we've definitely seen a shift in use-cases. Previously we were engaged with safety or business continuity person; now it seems to be more communications and human resources. Secondly, now that we see different phases – lockdown, reopening and even closing down again: a start-and-stop approach – it makes it a lot more important to execute on plans.

Q What lessons are there for supply chains?

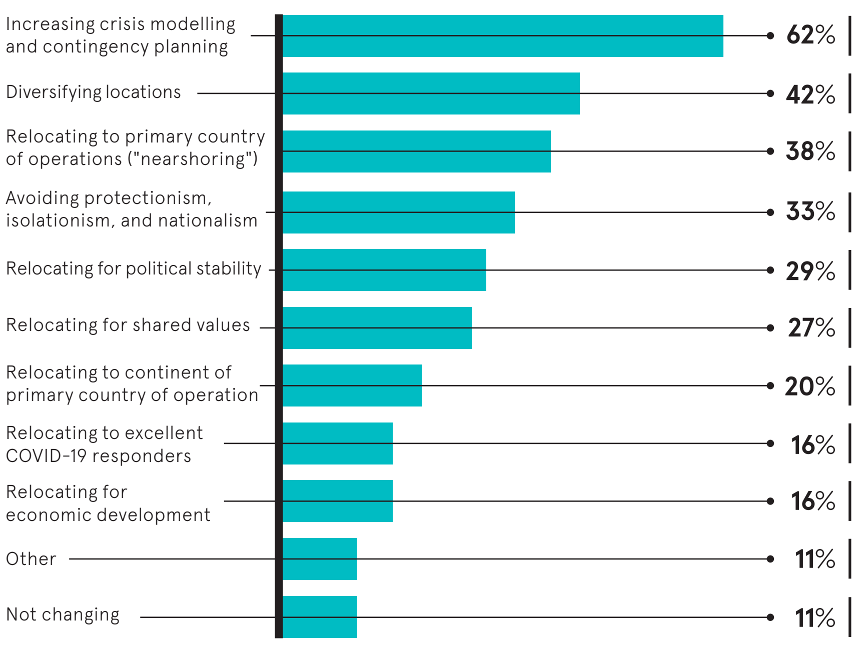
RB There are big differences across the sectors. Some sectors that have traditionally been progressive in this area, such as pharmaceuticals and retail, are benefiting from the systems they have in place. But I spoke to the chief procurement officer of an international property company and she said her continuity plan was nowhere near ready for this. If they, as a large multinational conglomerate, weren't ready, then it was somewhat unrealistic for them to expect all their supply chain would be. We see less risk appetite, which includes supply chains. During furlough lots of large companies didn't have effective plans in place and had very little engagement with their supply chains. Now, as we return to work, there's this rush to understand the financial and operational health of their suppliers. But they don't always have the systems or the data to be able to achieve this.

RC In the banking sector, they've had regulations in the United States and UK that you don't migrate your risk by outsourcing. Therefore, supply chain resilience has been part of testing recovery capabilities at most banks for many years. What hasn't been stress tested as much are tertiary parties and key parties such as other banks and credit bureaus that aren't your traditional supplier. So there's been an awakening that banking services are complex and involve a number of external sources. And the data has to be there. The companies that understand this are the ones which fared better. They were able to mitigate their risk and trace what would have an impact.

MO But outside financial services, you don't have the regulatory push which enables you to have that transparency. You're only as strong as the weakest link in your chain, but it is difficult for companies to find that weak link. This is one of the things we're doing, and seeing our clients doing, reaching out to third parties and asking how can I understand this better.

AA In our pulse survey, most respondents rated their preparedness for supply chain disruption about average and around 50 per cent said they will make changes to the way they manage their supply chain. This clearly indicates the need to revisit the way we manage supply chain resilience, particularly with agility in mind. With complex supply chains increasingly spanning continents, there is a real challenge in getting the right level of visibility.

SUPPLY CHAIN PRIORITIES IN THE LIGHT OF COVID-19



Atlantic Council 2020

> **Traditional communication channels are completely challenged; you can see this by the fact we need to do this roundtable virtually**

JS I think it has put a focus on what we do around efficient notifications of disruptions with the use of new tools such as Microsoft Teams. The supply chain is becoming more and more important.

Q How does supply chain planning need to change?

TJ The organisations that have done supply chain continuity planning, and it tends to be the bigger ones, have tended to make assumptions about a single failure, such as a significant supplier or an area effect like an earthquake in Japan. None of them anticipated a situation like the pandemic that affected everyone at the same time. This obviously makes things more complicated, but it also changes the perception of what's critical. When everybody is affected at the same time, what you define as "critical" can change quite radically.

RB Until now a business continuity plan was a nice to have in supplier evaluation, rarely tested or audited. But for many blue chips, now it's become a mandatory requirement for their highest-spend and strategic and key suppliers. However, there's an issue here around engagement, education and taking all stakeholders along on this journey. They have a lot of small and medium-sized enterprises as suppliers and unless those companies are educated on what the future standards will be, it will be very hard for them to meet them.

Q It sounds like business continuity planning needs to become a lot more data driven?

RC Traditional business continuity plans sat on a shelf after being approved by management. But now we're seeing customers move to real time, looking into things like the performance of vendors – not missing the contracted service levels, but maybe beginning to degrade – to try and predict problems. Or looking back at weather events and other situations that have impacted business and trying to be more proactive, using not just historical data, but also forward-looking data. You need all that data in a digital format to analyse it.

JB I'd agree with that. We're seeing companies in all sectors have an appetite for new data, for better data—-and not just data for the sake of it. And as they become more data-driven they are challenging and evaluating their supply chains. They are also looking at existing historical data from different ways and leveraging that. For instance, high-risk sectors like transport have lots of safety and performance data which they have used to define who they choose as suppliers. We're now helping them to look at that data from a different angle and thinking are these the companies we can rely on to adapt to new ways of working? It's about leveraging existing data sources in the new environment.

Q Does business continuity planning have to start dealing with softer factors, more on the human side?

AA Absolutely. There's a lot more emphasis on the people aspect, including leadership and culture as well as vision and purpose. At times of volatility, we believe resilient leaders recognise the value of investing in a culture that instills a clear strategic purpose, alongside the tactical freedom of providing teams with the trust, support and opportunity to plan the optimum route.

RC It's important to remember that not every employee is the same. An example is at Fusion Risk Management we have a lot of millennials in our company who are not fortunate enough to have home offices. We also have a lot of employees who have a young family at home and don't have daycare. So continuity planning is not just about the factory burning down, it's about real people and ensuring they are able to be productive and are happy employees.

JS Looking at our own organisation, we value a return to work as being both safe and productive. A conversation in the coffee corner could be more important than sitting at your desk for eight or ten hours. Not just HR but other parts of the organisation have to come together to make that kind of interaction possible.

MO We're still in a business continuity situation, but you now have to help people and support them over a longer time period, which means you need a bigger focus on wellness. We've done two pulse surveys and our results have been really positive because I think people have felt the organisation has adapted well. But it's something we've had to learn as we've gone through because it wasn't something we expected to be part of our business continuity planning.

Q Businesses typically have threat-based plans, such as a Brexit plan or a cyber plan. Does this need to change?

MO I think there's now a real understanding that plans need to work together. We realised this because when we switched to a heavy reliance on technology, with us handling such a lot of confidential data, we might end up with a cyber problem on top of our COVID problem. So now I think there's a real understanding that plans are interlinked.

TJ I don't think anybody was planning for something of this size, scale and duration. The better organisations had what we would probably call an all-hazards plan that was flexible, could be quickly tuned to fit these very challenging circumstances and also, to Mary's point, were collaborative. They allowed the organisations to work with staff and other affected organisations to adapt, based on a knowledge of what the priorities were for the organisation and the goals they were trying to achieve.

AA Clearly, business continuity has to evolve in response to what we're experiencing today. One way is strategic adaptability; we've seen many examples during COVID of organisations changing the scope of what they do, manufacturing things they haven't made before or doing something entirely different. Leadership and culture are also vital; more resilient organisations were able to navigate this difficult environment successfully and instil this concept of agility and adaptability within their organisations. And clearly, governance is also important, such as in supply chains where there is an increased demand for more robust levels of governance, transparency and trust.

MO I think the point about adapting is really important. You need to be outcome focused. You may not be able to deliver your product or service in quite the way you expected, but if you get the right outcome then that's what matters. It's about meeting the organisation's needs, not about delivering in the same old way because that might not be possible in all cases.

RC One of the things that has been historically problematic within organisations is they thought in silos, with one silo working on cyber-attack, another in facilities and another in HR. Look at the pandemic: it affects every part of the business and if the HR person is working in a silo away from the cyber-breach person, it's not going to work. You're all trying to protect the organisation, so why not work together?

Q But organisationally, isn't it easier to unlock internal resources to solve a specific problem, such as a cyber-breach, than to create an all-problems business continuity plan?

TJ I don't think organisations suddenly are going to have one mega plan that everybody uses and covers everything. Some plans are inherently technical, such as an information security plan. What you change is the interaction, the collaboration. The plans should be written under one umbrella, share the same principles and be aiming for the same outcome.

MO Yes, I think 2020 is the year all this is going to change. If you were planning for these simple scenarios, well they're not simple and they're all interrelated. We're also going to have to manage in a business-interrupted world; we could go out of lockdown and then go back into lockdown for at least the next couple of months and probably for a couple of years. Companies that want to thrive in this new environment are going to be agile and master business continuity to bring these pieces together.

Q We may still be in the early days of this crisis, but are there clear lessons that already need to be learnt?

AA Internally, we've realised we can be very agile and innovative in a short period of time. We've transformed our auditing and training to remote delivery by offering all our training courses remotely. We had projects we'd been working on for many months and when COVID came we found we could put them into full deployment within weeks. We want to take this agility with us moving forward. In terms of our clients, clearly a much broader and deeper understanding of continuity is needed. Organisations must look at their entire resilience profile and work with their partners, suppliers and stakeholders to build resilience over time.

JS Traditional communication channels are completely challenged; you can see this by the fact we need to do this roundtable virtually. Organisations need the ability to reach out, provide customer experience and adapt. That's why we're constantly evolving our software. We have to go where our customers are going in terms of how they communicate and over what channels. There is also an issue in the global versus the local. We've seen organisations having global response mechanisms in place, but you also need to allow your local entity – it may be a country, it may be within a country – to make their own decisions, reacting immediately if things happen.

MO One learning is that investment pays off. We had invested heavily in business continuity and it paid off within the first few weeks when we could pivot almost immediately to a full Teams-enabled environment with all our processes holding up. We also have to keep investing more in our people. We know we won't always plan for the right business continuity problems, but if we have our people geared up and good processes, then we will thrive.

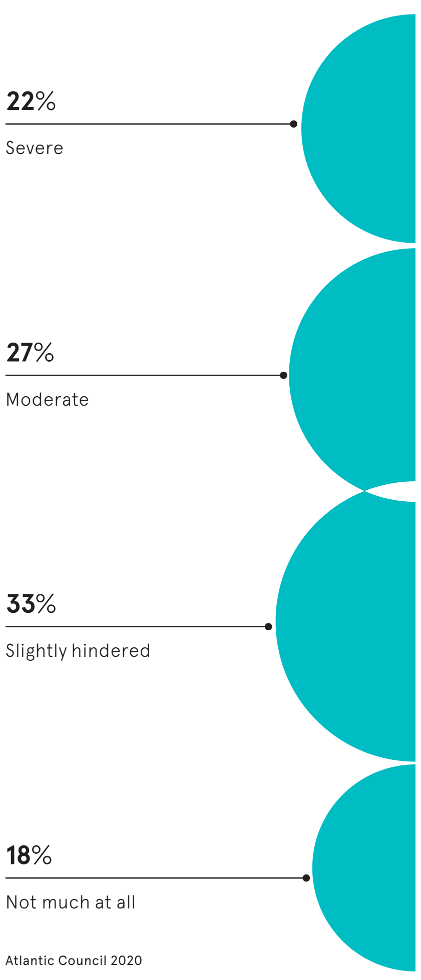
RC Yes, investing in business continuity is a good investment, just like insurance is a good investment. But after the disaster, it is a little too late to buy a policy. The companies we see thriving now already understand how their business works, and the core services they provide to the marketplace, and are the ones that can maintain relationships with clients, while keeping employees happy. They have already broken down silos and have tied their plans back to those core services.

24.8%

of businesses expect to go back to their old business model

BCI 2020

IMPACT OF COVID-19 ON SUPPLY CHAINS



Atlantic Council 2020

RB Like Mary, we were well placed. We have a flexible platform and we adapted very early on; back in May we were already gathering new data about COVID and sending that out to clients. We've also explored new business models and many of these have worked. Having a culture where you're encouraged to try new things, especially in such an unprecedented environment, has been hugely important for us.

TJ At the Business Continuity Institute, we've been surveying our members every fortnight throughout the pandemic and there are perhaps two key success factors that have emerged. Firstly, a limited number of organisations keep their eyes open for events in the broader world, whether through official sources, such as the World Health Organization, listening to customers around the globe or even via social media. These organisations were able to pick up on early warnings of the coronavirus while it was still only in China and got a head start on what would eventually turn out to affect the whole globe. That in-house horizon scanning, providing information to senior management, gave them a huge advantage. Secondly, organisations that exercised their team regularly, and by that we mean at least annually, built up ingrained adaptability. It doesn't mean practising for pandemics, it can be practising for anything. But when COVID came along, even though no one knew exactly what to do, it was the teams that were well rehearsed which could efficiently work through the problem and put a solution in place. ●

bci Leading the way to resilience

CONTINUITY

A chance to reset for the food sector

From adopting emerging technology to new business models, food businesses have adapted quickly to the changing demands of customers during lockdown, which may provide opportunities for growth

Jim McClelland

TOLGA AKMEN/AFP via Getty Images

Stories of food-sector continuity in the UK during the coronavirus pandemic have served up a remarkable running buffet of resilience.

There is the mother-and-son team behind importer of Indian foods Spice Kitchen who took a second business unit for stock.

Co-founders of Startup Logistics Nick Coleman and Udhi Silva pivoted their whole business model to sign up 30 food brands when their Snaffling Pig pub trade disappeared overnight.

Also acting fast, supply-chain specialist Orderly took just six days to roll out ecommerce pick-and-pack for Morrisons, showing the benefits of agile software-as-a-service providers.

Whereas, when the world went wild buying pasta, Barilla upped load capacity in transit and local sourcing, extra conscious of supply chain links from farmer to final packaging.

Ultimately, however, when it comes to the business of food, a broader long-term view of global supply chains is a must, one that is mindful of climate change, Brexit, eating trends and population growth, argues Jamie Burrows, founder and chief executive of Vertical Future. "COVID is just the first of many major shocks to the system, hence why we are betting on controlled environment agriculture (CEA) for both developed and developing economies," he says.

Otherwise known as vertical farming, CEA offers highly resource-efficient ways of growing produce indoors. The fact Vertical Future secured £4 million in seed-round investment late last year, then a further £1.1 million during lockdown in April, provides an indication of the appetite for innovation in the marketplace.

With more than 50 per cent of UK food imported from the European Union, hard-pressed suppliers were already facing continuity fears of another kind anyway, says Dave Howorth, executive director of supply chain and logistics consultancy SCALA.

"As we look beyond immediate COVID-19 disruption, the looming prospect of Brexit will dominate the thoughts of many, with our recent industry survey having found that 97 per cent of businesses believe Brexit will lead to border delays," Howorth says.

Overall, flexibility will play a huge part in future supply chain planning and design, as will tech. He adds: "Technology, particularly digitalisation, blockchain and increasing use of artificial intelligence, can play a key role in mitigating risk, particularly through enabling greater visibility across the supply chain and ability to switch supply when difficulties arise."

There are lessons to be learnt from COVID-19, though, says Russell Nathan, senior partner at accountancy firm HW Fisher. "Lockdown showed people's habits are to hoard and, in preparation for a second wave and Brexit, many food suppliers and supermarkets are building up stocks of longer-life foods," says Nathan. "For shorter-life foods, such as fruit and vegetables, the pandemic raised awareness of the need to grow more locally."

Over the next few years, therefore, there will not only be a boom in the food-tech industry, according to Nathan, but growth in commercial use of greenhouses around the UK, as we embrace seasonality in pursuit of food sovereignty.

"As a society, we have become gluttonous with our desire to eat fruit and vegetables out of season. In the UK, we have to re-educate ourselves that we cannot eat everything we want 365 days a year. The smarter companies understand this," he says.

Food tech is also responding to the rising global popularity of increasingly plant-based diets, from flexitarians to vegans.

However, for UK producer of plant-based meat alternatives THIS, lockdown posed some practical challenges. Rather than work from their labs, for instance, the company's food scientists had to adapt and lab test products from their garden sheds.

More strategic issues arose too, says co-founder Andy Shovel. "Our business is trying to build a particularly strong presence in retail, having previously had an equal split between retail and foodservice. We're also planning a direct-to-consumer (DTC) offering," he says.

Of course, this is not the first time we have had disruption on a grand scale. Food historian and TV presenter Polly Russell, explains: "When the world turned on its head in March, it was our relationship with food that first showed the signs of strain. When faced with serious challenges or a national crisis, though, food manufacturers, retailers and customers have long had to adapt and adopt new food systems, habits and products."

Canned food, for instance, which has seen a resurgence during lockdown, was first invented to help feed hungry French troops during the Napoleonic Wars. Early cans were very heavy and had to be prised open with a hammer and chisel, but later innovation saw market-leader Heinz working with British chemical company ICI to invent a self-heating can for the armed forces, even used by troops on D-Day.

Fast forward to 2020 and events have led Heinz to innovate again, but this time more in terms of strategy than cans. "Following the lockdown announcement of March 20, many were self-isolating and shielding, which meant getting groceries became a challenge. So, with a turnaround-time of less than three weeks, we launched our first ever ecommerce website," says Jean Philippe Nier, head of ecommerce, UK and Ireland, at Kraft Heinz.

The spike in consumer demand behind the drive into DTC broke records. The brand boosted production of Heinz Beanz to 50 million cans in one month, nearly double the normal amount sold.

While production went big, however, the team behind the new Heinz to Home model stayed small for speed. Nier adds: "We worked as an entrepreneurial startup with a very small cross-functional team of four to shorten decision-making.

"We had to be reactive, agile and take more risks than normal. We're glad we took the gamble. We've never had this kind of direct engagement before and it has been a real game-changer."

By no means all COVID-induced changes have been positive, of course. For instance, six out of ten UK businesses decreased their investment in sustainability initiatives due to the pandemic, according to research from e-procurement specialist Ivalua.

Hope is not lost, though, concludes Ivalua's smart procurement expert Alex Saric: "While it is a barrier today, COVID-19 offers a chance for businesses to reset their priorities, setting aside a focus on cost and putting sustainability at the forefront. In this respect, COVID could be a tipping point for a sustainability revolution." ●

Vegetables growing under artificial light on a vertical farm at the 2019 Chelsea Flower Show

Politics of risk and response

To say nobody saw the pandemic coming is not quite true. In hindsight, questions should be asked about the quality of scenario planning and effectiveness of disaster preparedness, on the part of major companies, organisations and governments.

Broadly speaking, the coronavirus outbreak could have been foreseen, but was not, says Dr Jens Roehrich, professor of supply chain innovation at the University of Bath School of Management. "COVID-19 could be classified as a knowable unknown unknown. Many organisations and governments were warned and aware of the catastrophic impact of a possible major global pandemic. However, the situation was considered either too improbable or expensive, or both," he says.

It is a matter of risk. Risk is a factor in business, also in politics. According to Roehrich, when it comes to resilience planning, politics now plays a greater role than ever: "Reshoring, bringing production or parts of the supply chain back to a home country, is not just a quality concern, but also a criticality concern," he says. "How critical is the item and the capability to produce it within your national boundary for the safety and wellbeing of a population?"

The spectre of Brexit on the near horizon post-COVID, makes UK food sovereignty a particularly hot topic. The reality, however, is food security was already an issue of concern anyway. Pre-COVID figures from the Trussell Trust put the number of active UK food banks at 2,000, with its own food-parcel totals up 23 per cent, the steepest rise in five years.

In effect, the pandemic arguably preyed on some of the pre-existing social and economic conditions and vulnerabilities affecting the UK population, as well as its health. Families and individuals have been hit hard, says Tom Andrews, director at sustainable food places. "While the supermarkets and their supply chains have held up reasonably well during COVID-19, with only temporary shortages on some product lines, many hundreds of thousands of people have had to rely on emergency food aid during the crisis," he points out.

So what can government do, not only to shore up food lines beset by wave after wave of crises, from COVID-19 and Brexit to climate change, but actually fix the systemic issues? How can the UK not just build back better, but grow back greater?

One strategic response is to invest in world-leading research that underpins business competitiveness and future-proofs continuity, so boosting food sovereignty and security.

Last month, business secretary Alok Sharma announced £18 million in funding for UK horticulture, food and drink industries to support high-level scientific research and construct facilities.

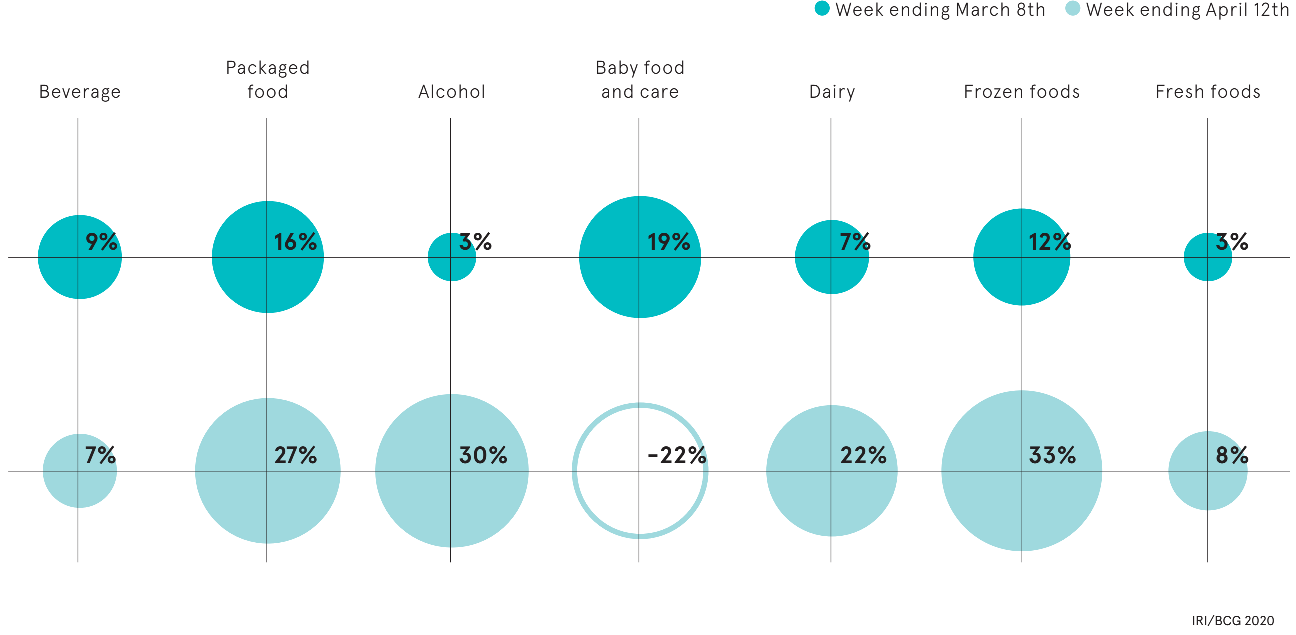
The Growing Kent & Medway initiative is one of seven national projects that will drive innovation-led growth and research and development, backed by the UK Research and Innovation Strength in Places Fund.

Led by horticultural and agricultural research institution NIAB EMR, it will help make the Garden of England an innovation hub for climate-smart production and processing of high-value, nutrient-rich foods and plant-based products.

While such regional investment is no silver bullet for UK-wide food problems, it might at least promise one green shoot.

HOW LOCKDOWN CHANGED OUR FOOD HABITS

Percentage change in UK sales of groceries at two different periods over lockdown



IRI/BCG 2020

Commercial feature

Sustainability and resilience go hand in hand

Technology is key to influencing responsibility and improving sustainability, driving much-needed resilience during times of significant supply chain disruption

Food waste is a major barrier to reducing carbon emissions around the world. As much as a third of food produced globally is wasted and the bulk of the waste occurs along the global supply chain. In the UK, an estimated 10.2 million tonnes of food and drink are thrown away annually. The farming, production and transportation of such wasted products adds billions of tonnes of unnecessary carbon into the atmosphere every year.

When the coronavirus crisis forced consumers into lockdown and restaurants to close, the decimation of supply chains amplified sustainability issues even further, with unprecedented volumes of produce going to waste, including eggs, milk and onions. Already a problem before the pandemic, the dumping of food became endemic in itself.

US farmers dumped 14 million litres of milk every day during lockdown due to disrupted supply chains, according to Dairy Farmers of America, while a single chicken processor was reported to be destroying 750,000 unhatched eggs a week. The collapse of excess food prices meant the US Food and Agriculture Organization Food Price Index dropped in four consecutive months.

"It's not just the waste in growing and transporting food, but as the food decays it's even releasing its own greenhouse gases, which kills the ozone," says Peter Evans, chief executive at sustainability technology company Orderly. "You think food waste is bad, but then you hear things like that and realise it just gets worse. Reducing food waste in the supply chain is something that can and should happen right now. There's no reason to start later or wait for a second wave to disrupt supply chains again. It must happen now."

Sustainability is not just crucial from an environmental responsibility standpoint, but also as a direct driver of business resilience, which organisations have needed in spades during the pandemic. By reducing waste, food and beverage companies spend less money, increasing profitability and cash reserves. Those who take a risk-based approach to sustainability can identify and manage supply chain disruptions much more efficiently.

Technology is a vital tool for influencing responsibility, as Orderly has demonstrated to strong effect during the pandemic. The company offers organisations a scorecard generated by artificial intelligence (AI) to help change human behaviour. By interfacing with a number of data sources, the weekly scorecard gives each user three things they are doing well to increase sustainability, two things they can improve upon and one score out of five.

Users can track their scores over time and benchmark progress against peers in their own organisation, while companies can also review overall progress and benchmark against their competitors. The recommendations are updated as the AI system learns if previous advice was followed and how easy the tips were to adopt.

Orderly has also worked with large chains, including Morrisons, to implement ecommerce solutions that support direct-to-consumer offerings. Supermarkets struggling to provide enough delivery slots was a well-document issue during lockdown, which meant more food being wasted in warehouses. Within six days, Orderly deployed a direct-to-consumer offering, with an ecommerce front-end and "pick and pack" direct from the warehouse using a third party for delivery. It was later expanded to provide priority slots for the vulnerable and NHS workers.

"When we heard about the proposition to support NHS staff and Morrisons' customers that might have been struggling due to shift times and supermarket shortages, we were really eager to help get them the goods they needed and to reduce potential waste in the supply chain," says Evans. "Meanwhile, using technology to influence responsibility and change people's behaviour is the best way to embed sustainability inside organisations, which in turn drives resilience. With the right data flows in place, companies can make better decisions and much faster.

"If each person in the supply chain does something small to contribute to mitigating against waste in some way or another, we can make a difference. To do this, companies need to surface the right data to the right people at the right time, using these better-connected data sources to track wastage and conduct modelling around what-if scenarios. That way, everyone can be singing from the same hymn sheet and working towards the same goals of reducing waste and increasing profit, which go hand in hand."

> **Reducing food waste in the supply chain is something that can and should happen right now**

For more information please visit https://orderly.io

orderly

Commercial feature

Visibility of device usage is crucial in the 'new normal'

As companies adapt to new working practices in the wake of the coronavirus pandemic, an ability to monitor device usage of home workers is vital to productivity and security alike

The sudden mass shift to remote working amid the coronavirus crisis left many businesses not only scrambling to adapt their policies and processes, but also more exposed to cyberthreats. Spearphishing attacks grew by 667 per cent as countries entered lockdown in March, according to research by Barracuda, while the UK National Cyber Security Centre has reported COVID-related fraud reports quadrupled.

Ensuring employees could be connected to business systems from home meant IT teams had to act quickly to set up VPNs (virtual private networks) or other secure access options for users that had not worked remotely in the past. It also required swift investments in the necessary infrastructure, hardware and software, including the peripherals that help people work more effectively from home.

In many organisations, previously restricted practices have had to be discarded in favour of enabling productivity to continue with as little disruption as possible. Lawyers have taken case files home. Insurance claims have been processed remotely. Company mail has been redirected to personal addresses and documents downloaded to local drives to be printed on unsecured devices. That's just paper documents; at the same time, spikes in cloud storage usage is driving a new way of dark data into businesses.

"The sheer pace and scale at which companies had to enable remote working has exposed them to risks," says Marc Ueckermann, chief technology officer at Xenith, a leading provider of intelligent workplace services. "Cybercriminals and fraudsters have leveraged the opportunity to attack organisations while they are distracted and at their most stretched. Moving quickly does not allow for careful planning and mitigation of risks."

Even when the pandemic is finally over, it is becoming increasingly clear that organisations won't return to business as usual. Home working, it appears, is here to stay, certainly at far greater levels than before the virus emerged, and the ability of companies to support their remote workforce proactively will be a key differentiator in the years ahead. Doing this successfully will require the right technology enablement to ensure employees have the devices and access to data to work from home effectively.

"Critical approaches should always be aligned to employee engagement and productivity, with the end-client's experience the essential metric of success," says Ueckermann. "Ensure home setup is focused on employee wellbeing. Make sure these technologies can also play a role in creating an inclusive remote working culture. One of the greatest challenges is adding necessary layers of added security, but doing so in ways that aren't intrusive and don't affect the productivity of the end-users or the IT teams supporting them."

Visibility across all employee devices, including their usage, when people are working from home will be particularly important in the "new normal" emerging from the pandemic. Organisations that can effectively monitor how devices are performing, and ensure a proactive resolution to potential issues so actions can be taken before failure, will maintain strong productivity and maximise employee satisfaction and engagement.

Meanwhile, with roles and responsibilities changing and new software, systems and processes continually evolving, it's just as important that companies can ensure their employees have the right device to perform the tasks required of them. By monitoring existing device usage patterns, such as hard disk, processor and memory utilisation, and matching the functionality of devices with the tasks involved in certain jobs, it's much easier for IT to select the appropriate equipment for each user.

"You can never get back time lost because equipment is not working as it should," says Ueckermann. "That can be avoided when your IT team has the visibility to act proactively. Imagine the impact of IT reaching out to you and saying they've seen you're experiencing some issues with your laptop so a replacement part or device is already on its way to you. In a time of redundancies, furloughing and pressure on employees to perform more tasks, nobody should have to deal with a malfunctioning device anymore.

"Visibility is also vital in terms of security monitoring and reporting. A significant point of entry for any attack is through end-user devices. Home working increases the risks of data breaches, which have serious data protection ramifications, but also significantly impact productivity because remote workers are disrupted. They can't just walk down to IT, hand over the affected device and get a replacement unit. It might take days to get one. By monitoring devices, proactive actions can be taken to protect the business."

The key to businesses gaining this visibility during the COVID-19 crisis has been device-as-a-service (DaaS), a solution by HP. Health and usage analytics from HP Proactive Management, which sits at the heart of the solution, monitors and reports device performance and status, including installed software, operating system version, application usage, hard drive usage, CPU (central processing unit) utilisation and device health.

Going beyond the hardware, DaaS is a life cycle management programme for end-user devices, allowing businesses to adopt a flexible consumption-based model for hardware provision while reducing the management overhead and providing high levels of security. This not only makes HP DaaS an attractive proposition from a financial perspective during difficult economic conditions, but it also frees up vital time for in-house IT support teams so they can focus on other business-critical tasks.

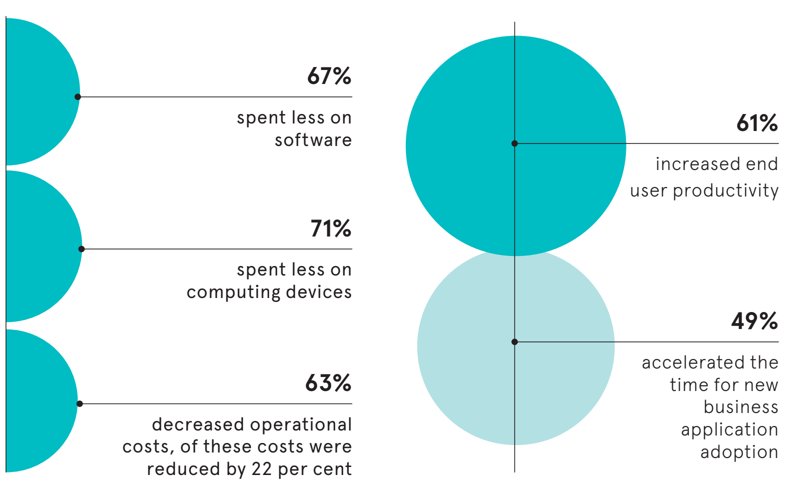
Security isn't just enhanced by the visibility enabled by the solution and the ability to be more proactive; there are also many security features built in to contain and eliminate threats. The solution goes well beyond standard security practices by harnessing the power of deep-learning artificial intelligence to provide real-time threat detection, self-healing BIOS (basic input/output system) and hardware-enforced secure browsing that isolates web content in a virtual machine.

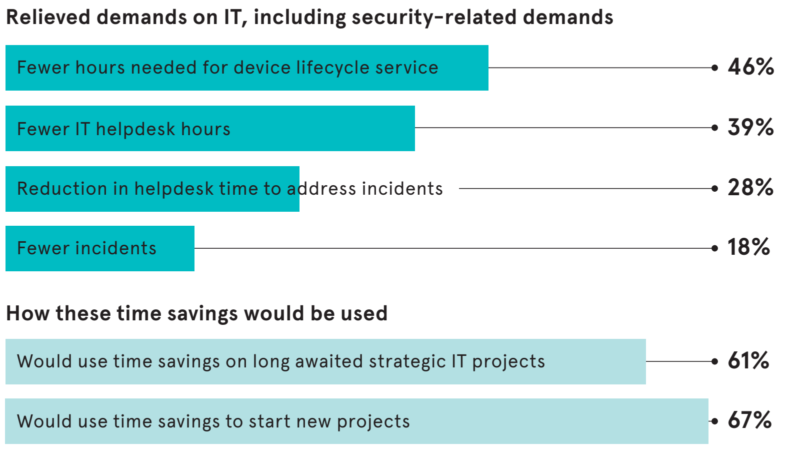
As an HP Gold Partner, Xenith has dedicated DaaS experts and has played an important role in deploying the solution for clients adapting to the new normal, while offering access to an extensive support team globally.

"Now is the time to make sure the quick actions taken to get everyone working from home are now formulated into proper strategies with investments in ensuring remote work practices are the norm, not the exception," says Ueckermann. "It is essential to monitor your environment, visualise areas of concern and adjust work practises, processes and strategies to align to the ever-changing customer and employee needs, and indeed any further disruption if a second wave should emerge.

"HP DaaS offers a plethora of hardware options for every requirement, including processors from AMD, the world's only processor family with full memory encryption as standard, to help defend against cold boot attacks. AMD's latest processors offer incredible speed, mobility and battery life, with up to eight cores in ultraportable devices, and battery life which extends to up to 24 hours and 15 minutes on some models."

ORGANISATIONS THAT ADOPTED "AS A SERVICE" MODELS LIKE DaaS HAVE...





IDC, 2017

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DATA SECURITY

Data audits more critical than ever

The harsh reality of the coronavirus has forced many businesses to consider what comprises their minimum viable company and data audits are the first key step in assessing where risk lies

Chris Stokel-Walker

Half of British workers are now regularly working from home, with similar patterns seen across the world: just one business legacy of the coronavirus. But this leaves managers and companies' IT departments with a headache. With many firms only just recognising the importance of business continuity and disaster recovery, how do you decide what's worth saving in the event of a cyber-attack or systems failure and what can be left to lose?

"Companies are thinking about resilience in a very different way," explains John Beattie, principal consultant at Sungard, a cybersecurity company. Rather than recovery, people are thinking of resilience. "They're thinking about it on many fronts: revenue resilience, data security and how can I continue my minimum viable company?"

For many, that minimum viable company has been put more at risk by the shift to home working. "Businesses large and small have virtualised at an unprecedented rate and in response to an unforeseen emergency," explains Dr Victoria Baines, a cybersecurity researcher and visiting research fellow at Oxford University.

This means more people accessing work networks and key data from personal devices. That's a boon for cybercriminals and a problem for corporate IT departments fearful of the rise of ransomware.

"Now that we have overcome the initial panicked reaction to lockdown, organisations of all sizes should seize the opportunity to map their IT assets and access, draw up security policies for home working and ensure all their employees are compliant," says Baines.

Data audits are an important first step. Businesses big and small rely on the cloud for data storage, which is a benefit as it's comparatively easy to recover from. But several sections of a business's data are often seen as too business critical to be stored remotely; customer information and accounts, for instance.

This attitude needs to shift, according to Alan Woodward, professor of cybersecurity at the University of Surrey. Likewise, make sure your software is up to date, and you're backing up data to the cloud.

> **Think about the minimum amount of data you'd need. How much business would you lose if you're hit by ransomware?**

"Think about the minimum amount of data you'd need to run your business," he says. "How much business would you lose if you're hit by ransomware?"

If your company computers, including those home laptops co-opted during the dash to leave the office during COVID-19, are running Windows 10, backups are made continuously, but otherwise Woodward advises backing up data twice daily, at lunchtime and after office hours, to the cloud. "It doesn't stop the files potentially being encrypted if you're hit by ransomware, but it puts a break on it," he says. "You only lose half a day's work."

Siloing sections of the business can also slow the spread of ransomware, but it's important to remember that more digital collaboration tools are being used in these unusual times, which means susceptible files are more likely to be passed around from one employee to another.

"Security is always breached by people, process and technology," says Woodward. "People are always the weak link, and when you introduce new processes in working remotely, people might not be used to it."

Extra caution is important at all levels of a business. "Getting an email from the boss might not be unusual when working from home, but would be in the office when they're sitting three desks behind you," says Woodward. Baines adds: "Cybercriminals will seek to exploit this decentralisation and any points of vulnerability in these chains."

Companies often seek collaboration and the drive to working from home has pushed that even higher up the to-do list for many people. Employers have also accepted lax attitudes to data security as people acclimatise to the new normal. "A lot of organisations have had to relax some of their data protection controls to facilitate people working remotely," explains Beattie.

But separating silos, stacks and functions is of vital importance for basic business continuity, and having a clear plan and programme to recover any lost data in the aftermath of the event is vital.

The minimum viable company requires plenty of planning and an acceptance of worst-case "what if" scenarios. But alongside introducing technical measures, virtual private networks, firewalls between departments and multi-factor authentication for logins, ensuring the minimum viable company remains viable is as much about employee education as anything.

"Using the same password for access to your work emails, your Facebook account and your online shopping just won't fly anymore, especially if you're using the same device for all three," says Baines at Oxford University. "It's time to remind all home workers of their responsibility to protect themselves and the corporate assets to which they have access."

Bosses may also need to have frank conversations with workers about digital rights. She adds: "Employees may have to get used to the idea of employers imposing security requirements on their personal devices, including enforced antivirus installations and operating system updates." ●

What went wrong at Honda?

Shutterstock

Ransomware attacks account for one in five cyber-attacks launched in 2019, according to Trustwave. One recent victim was motor manufacturer Honda, which was hit in June by what's believed to be the Ekans ransomware strain, affecting production, email access and the ability to look at server data.

An internal server was attacked by a third party. Though the company has not disclosed much information about the attack, it disclosed that the virus had spread across its network, probably because of a lack of siloing within the company. It seems likely, though isn't known for certain, that whichever entry point the hackers used was connected by the internet to the company's wider servers, allowing the ransomware to permeate throughout the organisation.

The result was significant. As well as being locked out of email accounts and company servers, production was temporarily halted in Turkey, Italy, Japan, United States and UK, with cybersecurity researchers believing data may have been held to ransom.

Honda said in a statement released when announcing the attack that no data was breached and there was "minimal business impact". The company returned to production soon after, but provided a model for just how devastating such attacks can be.

RESILIENCE

Don’t let D&I fall by the wayside

Diversity and inclusion initiatives are key ingredients of organisational resilience, so businesses must ensure they are not forgotten amid coronavirus-related disruption

Cath Everett

Even by the volatile standards of 2020, it has been a rollercoaster year for workplace diversity and inclusion (D&I), which is increasingly considered to play a key role in enabling business resilience.

As Toby Mildon, D&I expert and author of *Inclusive Growth*, explains: “Having an inclusive and diverse culture enables organisations to bounce back more effectively. They become more resilient as there’s more diversity of thought, which leads to better creativity and innovation in decision-making and in finding new ways of going forward.”

However, the events of the current year have so far left a mixed legacy in D&I terms. After the coronavirus crisis struck, for example, many employers either cut their D&I budgets and dedicated personnel or shifted resources into general firefighting and keeping the lights on.

But this situation was certainly not true of all organisations. In fact, Stephen Frost, chief executive of D&I consultancy Frost Included, describes it as a “tale of two halves” and divides employers into three clear categories in evidence long before COVID-19.

The first group comprises businesses that undertake what he calls Diversity 101. This means their activities are mainly compliance driven, which includes undertaking gender pay gap reporting. The second set consists of Diversity 2.0 companies, which generate a lot of marketing noise, but do little of meaning beyond a series of public relations initiatives. The third, and by far the smallest, category is made up of Inclusion 3.0 organisations that embed D&I into all their decision-making processes and activities.

At the start of the lockdown, says Frost, D&I largely fell off the agenda among employers in the first two categories as it was simply seen as an additional cost, while those in the third doubled down on it to inform their decision-making.

But since the killing of George Floyd and the resurgence of anti-racism and the Black Lives Matter movement, the situation has changed again. Mildon explains: “It’s reignited D&I activity in many businesses, especially around race and ethnicity, so those who had previously taken their foot off the accelerator have put it back on. But the results have been mixed, with examples of both good and bad practice.”

A key concern is employers simply make heartfelt statements and contribute to pertinent charities without addressing the real challenges faced by people in their own workplaces.

Daniele Fiandaca, co-founder of culture change consultancy Utopia, points out: “There’s a real risk that employers try to put sticking plasters over something that really needs surgery. We’ve seen lots of leaders talk about their own journey and agree that society must deal with systemic racism. But we’ve not seen so many saying their own company culture needs fixing and here’s what they’re going to do to make it more inclusive.”

As a result, there is real anxiety that over time as the news focus inevitably shifts elsewhere, current levels of enthusiasm may fade, leading to the issue falling off the corporate agenda again, at least among those employers not in Frost’s Inclusion 3.0 group.

“I’m concerned this will all be a bit short lived and things will soon move on,” says Mildon. “If we are heading towards a deep recession, businesses are going to have to make some really difficult decisions. The danger is they’ll revert back to basics and D&I won’t be on the agenda, even though an inclusive culture would ultimately make them more resilient as high-quality decision-making is vital during times of crisis.”

Suki Sandhu, founder and chief executive of executive search firm Audeliss and D&I consultancy Involve, agrees. “The whole point of D&I is to make the business more resilient,” says Sandhu. “It’s about mitigating risk by accessing new skills and backgrounds and viewpoints, which gives you different perspectives and helps cover your blind spots so you can arrive at the best solutions for the organisation.”

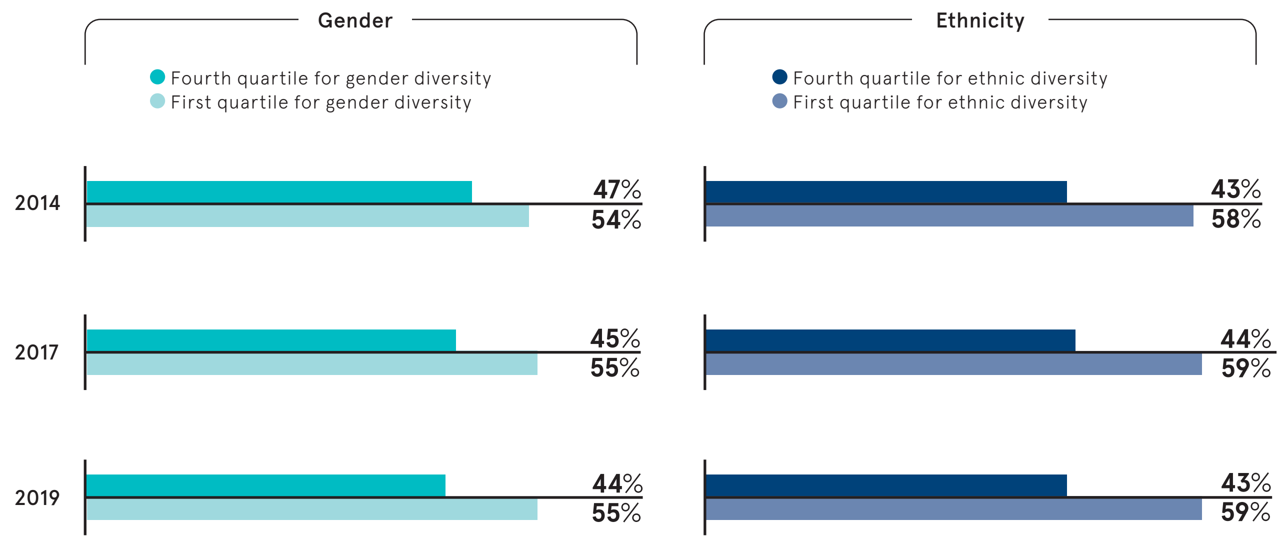
Natasha Broomfield-Reid, diversity, inclusion and wellbeing lead at law firm Mills & Reeve, also points to McKinsey & Company’s *Delivering Through Diversity* report, which makes a clear connection between D&I and profitability.

> **There’s a real risk that employers try to put sticking plasters over something that really needs surgery**

10’000 Hours/Getty Images

DIVERSE COMPANIES ARE MORE LIKELY TO FINANCIALLY OUTPERFORM

Comparing 1,000 large companies across 15 countries on their executive team diversity; difference in likelihood of financial outperformance against with the industry average, when comparing five-year average operating profit margins



McKinsey 2020

For example, the top 25 per cent of companies surveyed that had a good gender mix at executive level were 21 per cent more likely to demonstrate above average profitability. This figure rose to 33 per cent if ethnicity and race were used as markers.

But Broomfield-Reid points out: “If any organisation is truly focusing on its people, D&I has to be at the heart of your activities, not just an add-on. Inclusion is ultimately where you want to get to, but diversity also has to be recognised within that so you can access different backgrounds and experience, and give people a voice.”

For those organisations keen to embed such approaches into their company culture, she recommends auditing each business function to understand current practice and where it is falling short. Listening to the lived experience of employees is also just as vital when developing a long-term D&I plan, which needs to cover the entire employee life cycle and processes, ranging from talent acquisition and management to the supply chain.

Another key consideration is ensuring the chief executive is seen to support the D&I agenda. “You don’t necessarily need to know exactly what the plan is, but you do need to make a public commitment about why it’s important to the organisation and how you intend to get there going forward, such as undertaking a listening exercise to create a strategy,” says Mildon. “The CEO has to walk the walk and model behaviour as we’re talking about a culture shift here and people always copy the behaviour of those above them.”

As daunting as such a proposition may sound on the verge of an economic downturn, Sandhu believes that ultimately it is about laying the groundwork now to reap the benefits in the long term.

“It goes back to the business case: if a diverse workforce is more productive, creative and innovative, this can only be a good thing for businesses going forward as we’re going to need all the support we can to get through what some have described as being the greatest recession of our lifetime,” he concludes. ●

OPINION

‘Leaders should reinforce their organisation’s continuity and resilience capabilities in anticipation of future turmoil’

2020 unleashed a storm of disruption unlike any other in living memory. The coronavirus pandemic represents an extreme challenge to every organisation navigating this unprecedented crisis. The shock wave has impacted on individuals, organisations and societies, and will reshape many of them.

Any organisation that aspires to long-term success must be able to weather an occasional storm. Prudent organisations not only assess potential threats of disruption, they also take proactive measures to prepare for the unexpected so the business can continue in the face of adversity.

Fortunately, many organisations had already built a level of preparedness that provided some protective resilience to the pandemic’s worst effects. Business continuity has evolved as an internationally recognised management discipline over the last 25 years and has been adopted by thousands of organisations worldwide. It combines proven principles and practices that enable organisations to respond to and recover from significant disruptive events, both natural and manmade.

Headline-grabbing events, such as earthquakes, flooding, terrorism and cyber-attacks, provide tangible motivation for business leaders to actively safeguard their organisation’s continuity in an increasingly complex and uncertain world.

The magnitude and duration of the COVID-19 pandemic has stressed the most robust continuity plans well beyond their original design parameters. Even organisations that had pandemic response plans in place found they had not fully anticipated the level of social or economic disruption caused by the coronavirus.

These uncharted circumstances have forced organisations to be resourceful and to adapt existing response strategies to the unfamiliar demands imposed by the pandemic. Preparedness and adaptability are key conditions that underpin organisational resilience and have been important success factors for those organisations that responded most effectively.

Organisations with tested plans and rehearsed teams in place were able to react more quickly and competently, for example by swiftly scaling up work-from-home options that might once have been selectively available so they could accommodate the entire workforce.

The world has now entered an intermediate, unsettled period defined by social distancing and travel restrictions that may last months or even years until a proven vaccine is widely available. We can anticipate a route out of the pandemic that will be shaped by periodic outbreaks, oscillating government controls, and a hesitant revival in business and consumer confidence.

Organisations will have to adapt to a fluid and unpredictable operating environment. The fear of future waves will encourage a cautious unwinding of temporary arrangements put in place to ensure business continuity.

As the world moves into a post-pandemic stage, the novel measures adopted under lockdown may be absorbed as permanent practice. Offices will be occupied more flexibly, or be abandoned by some, as a new understanding of the workplace takes hold.

Surveys of the Business Continuity Institute’s members during the pandemic have shown the technology used to enable work-from-home solutions has increased, rather than reduced, productivity. User-friendly apps can be repurposed to minimise concerns about social isolation. These unexpected benefits, combined with workforce enthusiasm, will make these COVID-induced reconfigurations hard to fully reverse.

As organisations are being rapidly remodelled, the risk profiles and continuity strategies created under pre-pandemic conditions will also need to be reworked to ensure they remain fit for purpose. Some legacy risks may diminish under these new conditions, only to be replaced by unforeseen threats. A highly distributed workforce might reduce the risks associated with single-site occupancy, but could make the organisation more exposed to hostile cyber-threats.

The pandemic has shown the organisational benefits of business continuity and resilience. The disruptive influence of COVID-19 will not fade quickly. Business leaders should seize the opportunity to understand the pandemic’s enduring impact and reinforce their organisation’s continuity and resilience capabilities in anticipation of future turmoil. ●

Tim Janes
Chair
Business Continuity Institute

Commercial feature

Why communication is key in a crisis

Speed and efficiency of communications is the core differentiator between organisations that are able to respond successfully to a crisis and those who ultimately fail to adapt

The coronavirus outbreak has amplified the need for organisations to provide fast, insightful and transparent communications during a crisis. Though much resilience planning has focused on enabling employees to work from home securely and productively, and ensuring businesses can operate at distance, it is communication with staff, stakeholders and customers that is truly defining those who have adapted most effectively to the pandemic.

“Health concerns, job security, economic turmoil; it’s a challenging time to operate,” says Shalen Sehgal, managing director at Crises Control, a disruptor in the mass-notification market, whose mission is to democratise access to mass-notification engines.

Crises Control automates and simplifies the distribution and management of thousands of messages to relevant stakeholders in a crisis. “For the moment, the world as we know it has turned upside down and, in the midst of COVID-19, many organisations are slashing marketing and communication budgets to save costs. Yet if long-term survival is your goal, now is the best time to keep effective communication open,” says Sehgal.

With crises having the potential for significant business impact, companies need a secure and reliable way to communicate with stakeholders at all times. A timely and efficient response to any incident or crisis is critical, which is why so many companies have found themselves struggling amid the chaos of the pandemic. The speed at which people can engage, the support incident managers can provide and the efficiency of communications all impact the time and cost of recovery.

Reaching people via various channels, from emails to SMSs and automated calls, is paramount to underpin an efficient communication that reaches all parties. All crises can be understood as the final stage of a longer period of disruption and the first hour after an incident occurs, known as the “golden hour”, is the most important period during which a response is won or lost.

Those who fail to seize control during the golden hour will undermine their response. A multichannel approach is vital to targeting that response and getting messages to the right people, in near real time, through the right media and platforms, and within the golden hour.

> **By speeding up their incident response, our customers reduce the impact and costs of a crisis**

The most important function when dealing with any incident is the exchange of information. One of the first steps companies should take is clearly communicating their response and approach to staff, clients, suppliers and all other stakeholders. This should be backed by swift investment in tools and systems that helps them better prepare for unexpected scenarios, learn from previous events and act quickly in times of trouble.

Problems of any nature deepen with a lack of communication and Crises Control has found that companies lacking in this area will find even a relatively small incident escalating out of control.

The most common communication failures are related to technology, message clarity and the communication chain of command. Unlike most business-critical incidents, such as a fire, flood or power outage, where access to technology is the problem, during the COVID-19 pandemic access to people is the problem and technology can provide the solution.

Crises Control’s incident response solution delivers preformed incident action plans rapidly to stakeholders across all devices and channels. These include multilingual push notifications to the Crises Control mobile app, emails, SMS, phone calls or any combination.

The platform provides a common operating picture throughout the incident life cycle in a client-configured, easy-to-use dashboard. This allows incident managers to manage tasks, resources, communications and collaboration effectively. The service comes with 24/7 support and training through its online academy.

“In a crisis, when time is of the essence, at the touch of your screen, Crises Control enables you to send predefined or customised two-way notifications, generating common situational awareness, to global audiences using our many networks,” says Sehgal. “Our vision is to democratise emergency communications and simplify the management of crises, and this is where we are able to accelerate the resilience planning of our customers.

“By speeding up their incident response, our customers reduce the impact and costs of a crisis, helping them survive any disruptive event and keep their people and assets safe. This means they can move forward with confidence, aware they are properly prepared for any potential disaster in the future.”

For more information please visit www.crises-control.com

LUXURY

Changing with the times

Luxury brands – stalwarts of tradition, high end products and impeccable customer service – had to rapidly pivot their offerings to adapt to the pandemic, which is set to disrupt the trading environment for some time

Alec Marsh

When Britain went into lockdown in March, Claridge's hotel – accustomed to serving the needs of visiting royalty or Russian magnates – threw its doors open for NHS staff from St. Mary's hospital in Paddington. In Knightsbridge, the Berkeley started up one of the poshest drive-throughs in history, this time for NHS staff, police and fire crews.

Up in Manchester, the workers at fashion house Private White VC rolled up their sleeves to start making personal protective equipment (PPE). Burberry, meanwhile, announced it had donated more than 100,000 pieces of PPE to the NHS, including non-surgical gowns made at its Castleford factory in Yorkshire. Mulberry put a pause on handbags and started making surgical gowns.

Elsewhere, Jo Malone turned from candles to producing hand-sanitiser, and McLaren Automotive and Dyson were among those involved in efforts to build ventilators. Across the land, many of the best restaurants began giving food to key workers – and doing something else previously unthinkable: going into the takeaway business.

But not only did the COVID-19 pandemic prompt an outbreak of heart in the luxury sector, it also forced many firms to rethink radically the way they do business.

According to Helen Brocklebank, from luxury industry body Walpole, the crisis has accelerated trends in Britain's £48-billion luxury sector – most significantly the drive towards online, but also the need for brands to show authenticity, purpose and sustainability. It has also highlighted the power of social media such as Instagram, which gives companies a dialogue with customers and fosters a relationship denied a physical space.

As a result of the pandemic, Brocklebank thinks the industry will exceed forecasts to generate 25 per cent of revenues online by 2025. "Way earlier, and by 2025 it will be 30 per cent-plus," she reckons. "One of the things that's very exciting is that brands now have a three to four-month dataset they never had before of how people have behaved online, so the opportunity now is to really mine that data."

When taking their customer-focused efforts online, luxury brands have engaged in story-telling to underline their provenance and authenticity. Take the Savoy as an example: it commissioned a series of photographs of the iconic empty hotel and its deserted environs by a key worker named Damien Hewetson, after spotting his photographs on social media. It helped raise online engagement at the hotel by 50 per cent during the lockdown.

Creative brand projection online can also go some way in helping to bridge the gap left by the loss of face-to-face contact, too. Names such as Harrods and Burberry have created online or virtual personal shopping experiences.

HARRODS Ltd
SMALL GESTURES CAN CHANGE THE WORLD.
Boots

Chris J Ratcliffe/Getty Images

Harrods flagship store on Oxford Street in April

> Luxury brands have engaged in story-telling to underline their provenance and authenticity

Michael Ward, managing director of Harrods, says that when the lockdown hit, the emporium set up three photographic studios and made its personal shopping service virtual – providing images and telephone consultations to customers that would formerly have been in person. As of late July, Ward reports that 80 per cent of its personal shopping is done "at a distance" with the vast majority of business coming from overseas clients in places like the Middle East and China.

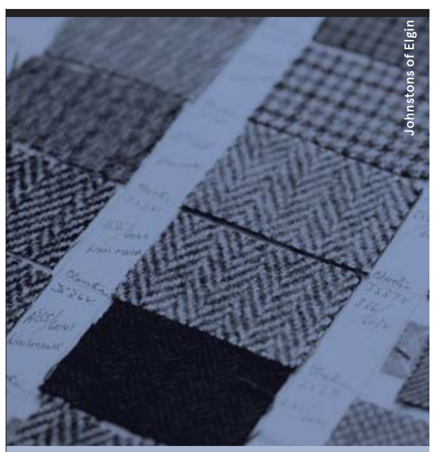
Now reopened with social distanced restrictions, the Knightsbridge giant can accommodate 4,500 customers at any one time – compare that to the 80,000 that would usually pass through its doors daily during the January sales.

As a result it has also had to come up with a creative way to cope with all the stock left behind by 90 days of shutdown: taking up an 85,000 sq ft chunk of Westfield London in White City, to create "the world's first socially distanced department store in the world". Here it is holding a sale of its spring-summer collections. This is unprecedented, says Ward, who reports that after three weeks Harrods Outlet is "trading very successfully". Crucially, this also frees up Harrods proper, with one million sq ft on offer, to sell current collections.

The restrictions of the COVID-19 world have obliged other luxury providers to rethink their strategies: at Gleneagles in Scotland, which reopened on July 15, right now some 40 per cent of guests would usually be from overseas. As a result the hotel has had to pivot to its "loyal" domestic client base and bid to attract repeat customers with deals and add-ons that would usually be used to fill the pipeline during the leaner winter months.

Signs are it's working, says managing director Connor O'Leary, who confirms that the main tool has been the direct communication to its databases. "We use data a lot to understand behaviours and then we're able to market to those behaviours," he says. "The strategy [is] almost giving people the answer they were looking for but almost before they knew they were looking for it."

Gleneagles has also tied up with high end travel agent Scott Dunn – another luxury provider hit by COVID-19 travel restrictions – to create an enhanced seven-day children's activity programme at the hotel for the staycation market. The two brands are now looking at building products around the October half term and Christmas. "It's trying to understand what people are looking for this year," says O'Leary. "We appreciate that it will change next year. We'll cross that bridge when we get to it." ●



Johnstons of Elgin

'Forming a relationship'

Browse the website of cashmere and knitwear house Johnstons of Elgin and you'll find articles marked "The fabric of our communities" and "Supporting NHS charities together". Keep scrolling and you'll get to "Working from home in style". With considered photography, good copy, the digital experience is unfussy but editorially impressive.

Simon Cotton, managing director of the 223-year-old firm, calls it "old fashioned journalism". The only difference is they created it. In the past the firm took a transactional view of its website – it was all about efficiency, while their physical products, their shops, mill tours and space in places like Harrods delivered the warm, personal, face of the brand.

Then COVID-19 came along. "It's really caused us to think again on how we connect when those elements are not there," says Cotton. "It's much more about forming a relationship and trying to replicate that customer service element in a digital space, so that if they never come into a store and are sitting in China that they really understand who we are."

In so doing, Johnstons of Elgin has lifted a limitation of geography. "Really thinking about that digital space and how we optimise it, means that the brand becomes much more international than it has been," Cotton adds.

OPINION

'The current environment provides an excellent opportunity for CPOs to showcase the full potential procurement can bring'

As we continue to adapt to a world in which the behaviour of billions of people is changing almost daily, business leaders must plan and invest for a future that will bring myriad, diverse challenges. Given their position in the engine room of commerce, responsible for inter-company trade and the global movement of goods, nowhere is this more apparent than in procurement and supply chain.

But with the prospect of a persistent global recession, geopolitical tensions and nationalistic headwinds, combined with the ongoing need to decarbonise and build a fairer more inclusive society, the demands on procurement have never been more apparent. Managing these demands while continuing to prosper and drive the growth agenda will demand creativity, collaboration and resilience.

Indeed, when it comes to resilience, fully 90 per cent of global chief procurement officers (CPOs) from leading multinational organisations who took part in a recent Procurement Leaders study, either strongly agree or agree they will have a renewed focus on resilience over cost when designing supply chains post-coronavirus. They cited the likes of dual-sourcing and pursuing local sources of supply as gaining favour over more cost-effective methods.

As one CPO in heavy manufacturing says: "Greater supply chain mobility and flexibility are key objectives that remain in place following COVID-19 disruption."

Smart procurement executives are working to eliminate single sources of supply to offer greater security, while shorter, more local supply chains, combined with onshore warehousing for those critical supplies where there is no alternative but to source globally, can mitigate some of those logistics and cross-border risks that continue to grow by the day.

But while rightsizing and, in some cases, remapping supply chains can be key levers in improving resiliency, focusing on the fundamentals of procurement is also important. Trusted, inter-dependent relationships with strategic suppliers can help two or more organisations to overcome challenges and take advantage of opportunities collaboratively when they arise.

In many ways, the current environment provides an excellent opportunity for CPOs to showcase the full potential procurement can bring, not just in terms of savings potential, but also in fuelling growth. As we slide towards the inevitable recessionary period, procurement will be in high demand. But the secret will be to ensure procurement is seen as a source of value to the top line, as well as the bottom during this period, and to come out the other side with a more-rounded value proposition.

To this end, more than half of CPOs told us that their relationship with their chief executive had been affected by COVID-19, with a renewed focus on risk being the most cited reason (73 per cent). But almost half also claim the need to tap into new sources of value is also a driver of the changing relationship and, by extension, the increasing relevance of procurement.

A CPO from the retail sector says: "With risk and complexity comes opportunity; it is inevitable procurement will be central in shaping many of the responses to addressing long-term value."

Positive growth is a term we've phrased to capture how business success must be measured in more than money terms. We have a responsibility to drive greater inclusivity, improved diversity and more sustainable behaviour in our growth agendas. It's something procurement can and is getting behind, being an integrated part of the business, contributing to top and bottom lines, while enabling a strong sustainability agenda.

So while it was interesting to see 90 per cent of our CPO community say they will have a renewed focus on resilience over cost when designing supply chains, it was even more satisfying to see 94 per cent say there would be a renewed and reaffirmed commitment to sustainability. ●

David Rae
Chief Product Officer
PL

Commercial feature

Flexibility is key to a successful and safe return to operations

Return to operations amid the coronavirus outbreak will as much define an organisation's success as its initial response to the crisis

The coronavirus has caused unprecedented disruption to companies around the world and, in particular, exposed organisations that had not appropriately planned for a pandemic and built resilience into their business.

Those that have responded well have been able to react and make decisions quickly because of a prepared flexibility in their operations, access to reliable actionable insights and a strong communications strategy. Such agility, more often than not, is led by the chief executive.

As lockdown restrictions are eased at varying degrees worldwide, organisations need to double down to take advantage of the changing landscape, while ensuring operations are safe. Though no company can guarantee preventing the spread of infection, there are numerous steps they can take to minimise risk and fulfil their duty of care, at the same time enhancing resilience.

"It's been surprising to see just how many companies did not have a pandemic arm to their risk strategy and this really caught them off balance," says Dr Mark Parrish, regional medical director at International SOS, which delivers customised health, security risk management and wellbeing solutions to more than 12,000 organisations globally. "But as we enter a new normal, all businesses have another chance to embed resilience and implement best practice for their workforce, workplace and operations.

"Many people find it harder to work from home than others, for reasons that include mental health and technology issues. Even office-based companies that can continue with a lot of remote working will benefit by opening parts of their workplace, which can be made COVID safe.

"For manufacturing, which mostly continued during lockdown, albeit with lower staffing, it's about ramping back up to full production, while incorporating measures such as zoning, different shift patterns and longer factory opening times. We have seen lots of innovative solutions across all sectors."

In a recent study by International SOS, seven in ten organisations said their primary business continuity concern is further disruption from a second wave of the pandemic. While there is a keen focus on return-to-work measures, one in five said they still don't have a pandemic plan and process in place. The same number of respondents, however, expected mental health issues to pose a major threat in the coming year.

International SOS has identified five key steps to returning to operations safely and sustainably: risk assessment pre-reopening, development of workplace measures, procedures for screening at entry point, staff training, and internal and external communication.

However, it also warns of "COVID myopia", whereby companies are overlooking other risks, such as security threats and even other healthcare risks, including mental health issues. As business travel restarts, other infectious diseases also need to be considered, such as malaria, which kills 400,000 people in Africa every year.

"Seasonal or everyday risks don't go away just because of a pandemic, so a balanced approach is crucial, with a holistic view of all risks that could impact employees," says Parrish. "We work with organisations on new scenarios and situations daily to design the strongest and most sustainable return-to-work strategies."

The challenges facing International SOS's clients are broad and varied. From an orchestra concerned about germs spread through wind instruments, to retail outlets protecting their staff and the public, rock stars on global tours, TV and film studios resuming filming, offshore operations and global companies affected differently by COVID-19 in different locations. Each will have their own steps to returning to success.

"Our consultancy practice is working with industries across the board, carrying out reviews, planning, walkthroughs (remote and onsite), procedures, process and advice, and providing precautionary measures, such as temperature-screening and testing," Parrish adds. "We assist with mental health training, strategy and assessments, as well as providing the underlying call centre healthcare support.

"Above all, we work with companies to build flexibility and agility into their planning. If a second wave comes, businesses will need to react quickly and maximise their potential to operate. With workforce flexibility and resilience, a repeat of the catastrophic disruption we have experienced can be minimised, and organisations can be well prepared to manage layered threats and the potential second wave," Parrish concludes.

For more information on how to protect your workforce and adhere to your duty of care, please visit internationalsos.com

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CYBERSECURITY

Staying on top of evolving threats

Assessing cyber-risks and preventing hacks has always been a daunting task for any organisation, but COVID-19 has made the job even harder

Virginia Matthews

Anastasiia Chepinska/Unsplash
SORRY
WE ARE
CLOSED
COVID-19

Finding an effective vaccine against the coronavirus is, rightly, at the top of the world's inbox. But for those who deal in risk, one of the pandemic's unintended consequences – the exponential rise in cybercrime – continues to concern with no obvious solution.

Defending an organisation's data and intellectual property against sophisticated ransomware and spyware eats both time and money, particularly given the vastly superior expertise and resources of professional hackers. Yet for the C-suite, pernicious malware is just one element of the multi-layered, fast-moving global risk landscape.

From sustained loss of revenue in 2020, a stalling economy and Brexit to global recession and foreign trade wars, the need for agile and rapid decision-making across an entire range of socio-economic and political issues has never been more marked.

"When we set up almost 20 years ago, the chief causes of data loss were floods, fires, system failures and human error," says Peter Groucutt, founder of business continuity and IT disaster recovery specialist Databarracks, whose clients include the NHS and Siemens.

"Although 80 to 90 per cent of incidents now relate to cyber, particularly since COVID-19, there are many events which can be equally disruptive to an organisation."

Databarracks' *2020 Data Health Check*, which surveys attitudes among leading IT decision-makers, showed that despite around six in ten of respondents having an up-to-date business continuity plan, 66 per cent did not have contingency arrangements in place for a pandemic.

Given that an influenza pandemic has appeared close to the top of the UK government's National Risk Register for many years, this strikes Groucutt as surprising.

"The need to balance the various elements of today's complex risk landscape is a major challenge, particularly for small and medium-sized enterprises that don't back up their data, store it offsite, or have internal or external data security expertise at their disposal," he says. "If the pandemic has done anything, I hope it will have changed hearts and minds around the need to understand the fluid nature of risk and the global nature of the cybercrime industry."

For every senior executive with a grasp of how best-of-breed data analytics and platforms driven by artificial intelligence (AI) can be deployed in the forecasting and mitigating of risk, there is an human resources or sales director who cannot quote, or even access, accurate figures of total headcount or last week's online sales.

According to Tim Archer, analytics director at TrueCue, an analytics consultancy working across private, public and third-sector clients, the "multiple sources of truth" problem can significantly hamper any notion of organisational agility and resilience.

"I understand that AI and machine-learning can sound scary, particularly if you are a small or medium enterprise whose CEO relies on gut instinct or hunches. And I also see there is a clear maturity curve in data analytics," he says.

"But if your key performance indicator is flashing red and a change in strategy is essential, you need to be confident you are acting on the basis of one single set of up-to-date, trustworthy numbers and that they are used by your entire leadership team. That's where the robots come in."

Holiday park operator Parkdean Resorts, a TrueCue client, has recently invested in machine-learning algorithms to improve its handling of issues related to both revenue and risk. Development of AI and machine-learning to drive more value from data has already helped the business forecast food and beverage sales more precisely, understand the impact of COVID-19 on holiday bookings, track risk among a 4,000-plus remote workforce and facilitate the return to the office, says James Gardner, head of Parkdean's data analytics and insights.

> **Leaders can pinpoint the abnormal events and anomalies which warrant further investigation**

Based in London, the National Cyber Security Centre (NCSC) was set up to provide businesses and consumers with support and practical advice on managing and mitigating cybercrime. While its many online resources include provision for safe-space, dummy-run testing of post-attack contingency plans and recovery procedures, the NCSC notes that for some parts of the business community, basic cyber-hygiene around passwords, for example, remains a problem.

In a data-driven digital world, alerts from laptops, mobiles and other devices have become so frequent they are meaningless for many. Yet to Dan Panesar, UK and Ireland director of cybersecurity specialist Securonix, identifying the urgent threats, while filtering the rest, is more important than ever.

"By harnessing the huge amount of data captured by an organisation each day and using an array of techniques including machine-learning, a business leader can accurately pinpoint the abnormal events and anomalies which warrant further, possibly urgent, investigation," he says. "It's a matter of using the right analytics to determine which 'fires' actually need to be put out today and which can be safely ignored until further information is forthcoming."

While requests to change admin passwords, for example, are firmly in the firefighting category, system events triggered by unauthorised use of a social networking site during working hours would probably be less sinister.

The need to foil the rising number of information-seeking phishing expeditions looms large this summer, particularly in the current work-from-home environment. Yet even for organisations with top-dollar cybersecurity systems, the inadvertent compromising of corporate web protocols with a single click can still subvert the smartest algorithm.

The colleague who idly opens and responds to a dodgy email on a slow Friday afternoon, thereby compromising the business's entire security procedures and unleashing a tsunami of malware, remains the weakest link in the chain. ●

92% of UK companies reported an increase in cyber attacks with more employees working from home because of the pandemic

PROTECTION

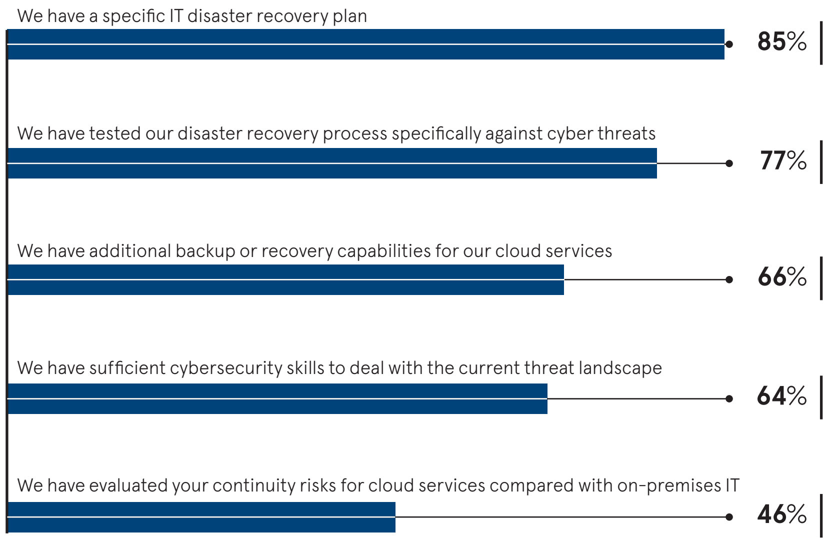
93% said they have been targeted by COVID-19-related malware

84% reported gaps in disaster planning around communications with external parties including customers, prospects, and partners

VMware Carbon Black 2020

STATE OF CYBER THREAT PREPAREDNESS

Survey of IT decision-makers



Databarracks 2020

Commercial feature

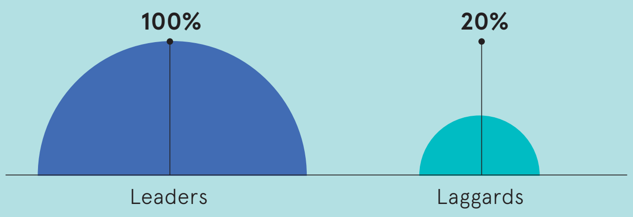
SUCCESSFUL BUSINESSES PRIORITISE MORE PERFECT SOFTWARE. DOES YOURS?

9/10 leaders say that developing and deploying more perfect software is a strategic priority

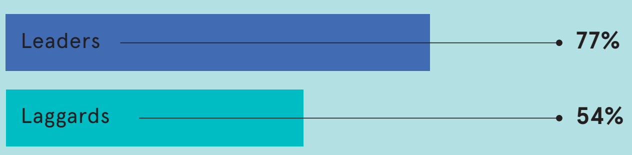
94% say observability is key to developing software, compared with 56% of laggards

78% find out about system and software interruptions via observability platform vs. from customers or employees

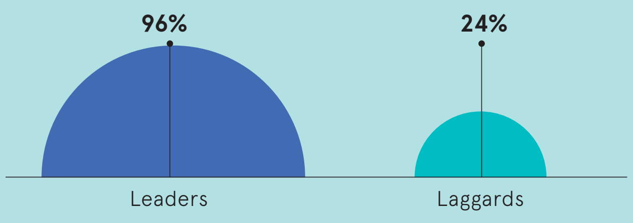
Percentage that integrate data on software and systems performance with data on end-user performance



Time spent on software innovation versus fixing issues



Percentage that have adopted a cloud-native approach to software development



Observability protects continuity while unlocking growth

Organisations often struggle to balance the development of new products and features with maintaining the reliability of their systems. Heightened demand for digital services during the coronavirus pandemic has emphasised the need for system observability and new operational cultures to enable reliable growth

Businesses are brimming with ideas, but implementing them effectively often proves a challenge. In a digital context, creating new experiences, services or products requires rewriting supporting software code at a significant scale or establishing entirely new systems, with both options presenting a significant risk of introducing operational problems.

The same consequences occur when organisations grow quickly. Systems are put under major strain, given the large data loads and new pressures involved. This leads technology teams to make extensive changes to essential systems, which can cause additional system latencies and dropouts.

"Changes such as these can lead to really problematic repercussions, introducing the danger of new bugs, bottlenecks and outages," explains Steve Hurn, executive vice president and general manager, Europe, Middle East and Africa, at software company New Relic.

Internal dynamics within organisations often serve to worsen the difficulties, with different teams inadvertently pulling in opposing directions. "In many companies, developers change code as needed, test it and push it out to operations teams. By contrast, the operations personnel are entirely focused on validation and continuity, and may not even understand all the thinking behind the new code. Driving in different directions like this can rapidly create complications and stop innovation or growth in their tracks," says Hurn.

COVID-19 effect

The coronavirus pandemic has greatly exacerbated many of these problems because businesses have shifted so much more of their operations onto digital channels. Highly advanced operators saw a huge surge in demand for online services, while bricks-and-mortar businesses were left with little choice but to promote and rely on web and mobile. As a result, changes to software and server setups, as well as entire technology architectures, have shot up strategic agendas.

With this increase in pressure, any system weaknesses have been quickly exposed. "It's been a real revelation to many companies about how well or badly their systems actually run and how hard it can be to find the root causes," notes Hurn. "Companies have suddenly been faced with a need to create better or entirely new digital customer experiences, or to handle a tripling in web traffic."

Finding a solution

As a result, businesses are under pressure to understand where their operational and scalability weaknesses lie. Many are turning to observability, which is a new means of proactively understanding the full picture of system operations, including what will happen when code is changed or updated, or when new apps go live. Observability typically picks up a range of problems that are being missed, including those caused by complex systems that almost work seamlessly, but have marginal problems; such inaccuracies tend to build and lead to major outages.

Observability consists of three key elements: telemetry, contextualisation and understanding. Telemetry agents collect data from every component of a business' digital service. Then there is the context, where data is enriched and correlated to build a complete understanding of how the system behaves. Using that information the technology deploys visualisation, so organisations can understand the data, query it and know how to action improvements fast and proactively.

> **For all organisations, observability provides a sharp view into their own platforms, creating clarity on where improvements can be made and how problems need to be resolved**

The more complex the setup, the more essential it is to understand what is happening in detail and to have a reliable answer, says Hurn at New Relic, whose observability software provides detailed insights. "It's a bit like if you're driving a Formula 1 car as opposed to an ordinary vehicle," he says. "To get the best out of a high-performance machine, you need to understand everything about what it's really doing. That's what observability allows you to do as an organisation, giving you a comprehensive view of the most relevant data, so you can solve problems and innovate at pace without sacrificing reliability."

New culture

As businesses across industries look to make these changes and succeed in a fast-changing environment, they are also seeing an increasing need for a cultural shift to support system innovation and robustness. Such a transformation requires a focus on services and user experiences, driven by high-quality data.

Typically, there is a maturity curve for companies as they improve understanding of how their systems work and where changes are most needed. Observability is typically first used by development, operations, IT and infrastructure teams, but the clear impact of the insights often leads to other teams implementing it.

"We increasingly see production, marketing and finance teams applying observability to correlate system functionality with broader business objectives, such as service or product usage and costs," explains Hurn. "In the most advanced companies, even the chief executive accesses the dashboards for quick daily performance insights."

In practice

Some 94 per cent of the most mature organisations already see observability as a key aspect of development and they all integrate end-user performance data with system performance to understand the effects of changes, according to research by New Relic. This work is enabled by machine-learning and artificial intelligence that augment human processes, reducing noise and deriving important conclusions which might otherwise easily be missed.

Among the organisations working with New Relic's observability software is the Royal Society of Chemistry. The 179-year-old institution is undergoing a complex digital transformation that is influencing how chemists around the world use its vast published resources and databases.

The Royal Society of Chemistry brought in New Relic to help with its move of legacy applications into micro services for a more-effective online presence. Using New Relic's observability software, the institution now has end-to-end visibility of every effect of new developments and updates. Its systems also deliver real-time monitoring of the experience for its 54,000 scientists and research members as they access a million specialist articles and records, with a single source of the truth enabling collaboration across teams to make changes, and prevent problems and latencies, even with hundreds of thousands of page views every hour.

"Observability is helping us build better products and services for our global audience of scientists, researchers and chemical science organisations," says Chris Callaghan, Royal Society of Chemistry's development and site reliability engineering manager.

For all organisations, observability provides a sharp view into their own platforms, creating clarity on where improvements can be made and how problems need to be resolved. Any organisation seeking to innovate and grow quickly, while maintaining reliability and enhancing user experiences, can benefit significantly from the high visibility and actionable insights.

To find out how to harness observability for more perfect software, reliable continuity and rapid innovation, please visit newrelic.com

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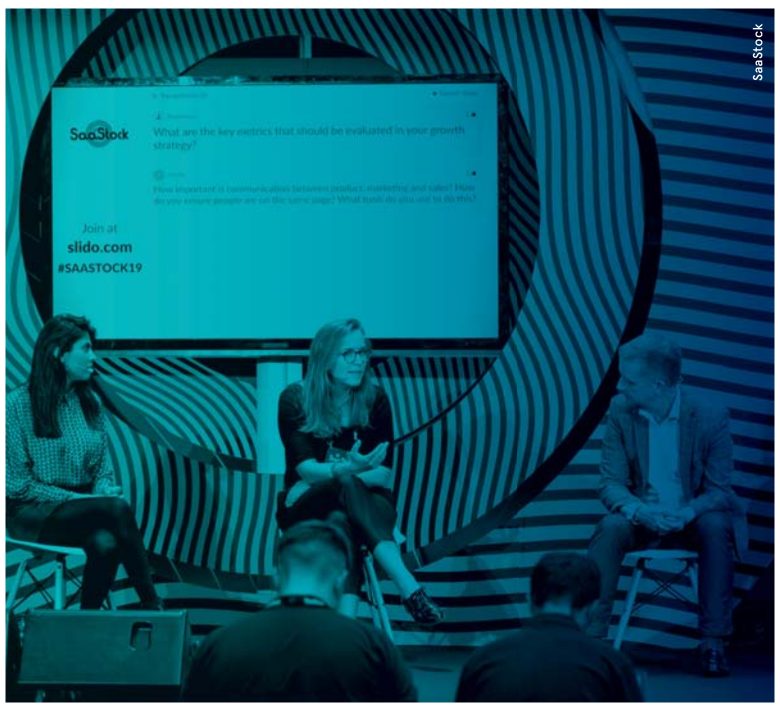
SOCIAL DISTANCING

Crowd control

The events and hospitality industry has been blindsided by government-mandated social-distancing measures enforced across the world as a result of the coronavirus pandemic. Here are five examples of how businesses have pivoted their services to provide safe ways for people to connect, eat and be entertained

Sarah Drumm


SaaStock

Networking online conferences
SaaStock

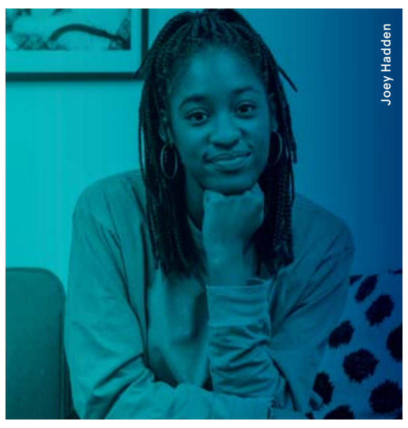
At the start of the year, SaaStock had four conferences in the pipeline, including its first event in Singapore. Then the coronavirus hit and super-spreader events such as business conferences were suddenly off the cards.

Founder Alex Theuma knew SaaStock would need to pivot to online. But how could it continue to provide value for sponsors and attendees who were looking to network?

For its first virtual event in June, SaaStock Remote, Theuma decided to reduce pricing for both sponsors and attendees, with an average ticket price of $299 compared to the $599 starting price for its previously scheduled in-person event in Dublin. Revenues are currently down by about 50 per cent year on year, but Theuma is hoping he can boost the prices of future virtual conferences by leveraging the data he's been able to collect.

Using conferencing platform Hopin, SaaStock can see how long attendees are tuning in for, which talks they're watching and how many people they're networking with via the platform's chat roulette-style function. One team of four attendees at June's virtual event managed to rack up 196 meetings between them across two days, while Theuma says the average sponsor left with up to 200 sales-qualified leads.

"We're able to provide debriefs saying here's the data on who watched your CEO speak," he adds. "We can't do that with in-person [events]."


Joey Hadden

Forging digital connections
Ethel's Club

In November 2019, Naj Austin opened the doors to Ethel's Club, a social and wellness club for people of colour, in Williamsburg in Brooklyn, New York. By March 12, she was closing the doors again.

The events and social working space had been wildly popular from the get-go, with 275 members and a waiting list of more than 4,000. Not wanting to lose momentum, and realising members were likely to be desiring human connection more than ever during lockdown, Austin decided to take the community online.

Ethel's digital membership features a programme of live-streamed workout sessions, guided meditations and professional skills workshops, broadcast three times a day.

At $17 a month, the price point is significantly lower than the physical membership of $195 a month, but Austin says that because she's no longer restricted to the physical confines of her 4,570sq-ft Brooklyn space, Ethel's now has the opportunity to go international. Since launching four months ago, there are now more than 1,000 digital members, stretching as far as Germany and the Netherlands.

"The biggest thing I've learnt is to think bigger," she says. "How can we make space for the most people?"

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OPINION

'Organisations have an unprecedented opportunity to rethink and repurpose'

Dusting off a plan in a ring binder sitting on an office shelf is never a good start to managing a crisis. It's likely a plan stored this way and those who use it will not be in the same place when a crisis happens and the plan is needed. It's even more likely a plan stored this way will be out of date and unrehearsed.

Managing a crisis effectively requires rehearsed preparation. No one can predict how or when a crisis will unfold, but if robust and up-to-date plans are in place, they are much easier to adapt to enable an agile response. The coronavirus pandemic has laid bare a lack of preparedness in many governments and organisations, big and small.

Contrary to some reports, the pandemic is not a black swan event, a phrase coined in 2007 by Nassim Taleb to describe extreme events that come as a surprise which in hindsight should have been predicted.

A global pandemic was not only predictable, it was predicted: scientists and experts have warned for decades that such a pandemic, involving a highly infectious respiratory disease virus, was a plausible scenario. It has appeared in the World Economic Forum *Global Risks Report* for years, has been spoken about by influential figures, including Bill Gates, and the financial heart of London ran a pandemic scenario in 2006.

Yet governments and organisations were shocked by the severity of the pandemic in terms of geographic scale and the velocity with which it spread. Why were many governments and organisations apparently so unprepared?

The pandemic is a high-impact, low-probability emerging risk. These risks do make it onto a risk register, but often fade into the background when risk severity is considered as a combination of impact and probability. Such risks are often hard to detect, difficult to assess and easy to ignore.

Boards are more comfortable with the tangible and finance directors more convinced by arguments to protect immediate issues. By contrast, a pandemic is an intangible, hard to predict and quantify risk, and arguments by risk professionals to develop interventions often fail to get buy-in at the board and C-suite level.

This is important for boards to recognise, not just to reflect on how they have responded, but to plan for the next phase of the pandemic. Organisations may be in the latter stages of the immediate crisis, but in a broader sense we are only at the beginning. The economic fallout, potential further waves of the disease and the unintended consequences are yet to reveal their true forms. Now is the time to learn the lessons from our initial response and be better prepared for what happens next.

The challenge in planning for emerging risks, however, is sheer unpredictability. There are many models used to illustrate how crises are supposed to unfold into recovery and restoration phases and eventually normality. COVID-19 didn't observe this theory and broke the crisis management and business continuity so-called rules.

It is, therefore, crucial boards and senior management understand emerging risks such as the pandemic require a different approach to conventional risks. In the absence of historical data and firm facts, risk discussions should be driven by structured, creative discussions across business units that bring different and collaborative risk perspectives. How this is interpreted will vary by organisation, but planning and discussion are key for all.

And there are strategic processes to go through. Crises present opportunities; they are periods for innovative thinking, not retrenchment and restoration to what existed before. Organisations have an unprecedented opportunity to rethink and repurpose, but it must be informed by facts and reliable information, not wishful thinking.

Recent research indicates boards are dedicating time to managing risk, but often don't have the detail to take informed risk decisions. Risk professionals need to join forces and collaborate with their business peers to deliver the foundation of knowledge a board will need to do its job and lead organisations out of the crisis and into the future. ●

Julia Graham
Deputy chief executive and
technical director
Airmic

D&D London

Taking takeaway seriously
D&D London

Unable to invite customers into their venues, restaurants across the world have pivoted to takeaway. For D&D London, the challenge was to make sure this experience was on par with what customers of hip haunt Bluebird were used to.

Based in Chelsea, the restaurant has continued to benefit from decent levels of residential footfall compared to D&D's more centrally located venues. In June, the team decided to make the most of this and set up a rotisserie outside the restaurant, creating a sense of theatre and letting the smell waft down the King's Road.

In the three weeks to July 4, Bluebird generated an average of £20,000 a week from takeaways. Michael Farquhar, D&D's operations director, says: "We needed to start generating revenue, but it was also about understanding the appetite."

Of the 17 D&D restaurants to reopen on July 4, he says Bluebird has been the most successful. The takeaway service "created an awareness". Farquhar adds: "It meant we could talk to our guests face to face and tell them we were going to reopen."

D&D plans to continue experimenting with at-home dining. "Takeaway has been transformed," says Angela Malik, consultant with Think Hospitality. "It's now 'out-of-home eating'. People are going to want to continue staying in their communities and not travel far."

Leveraging live-streaming
MelodyVR

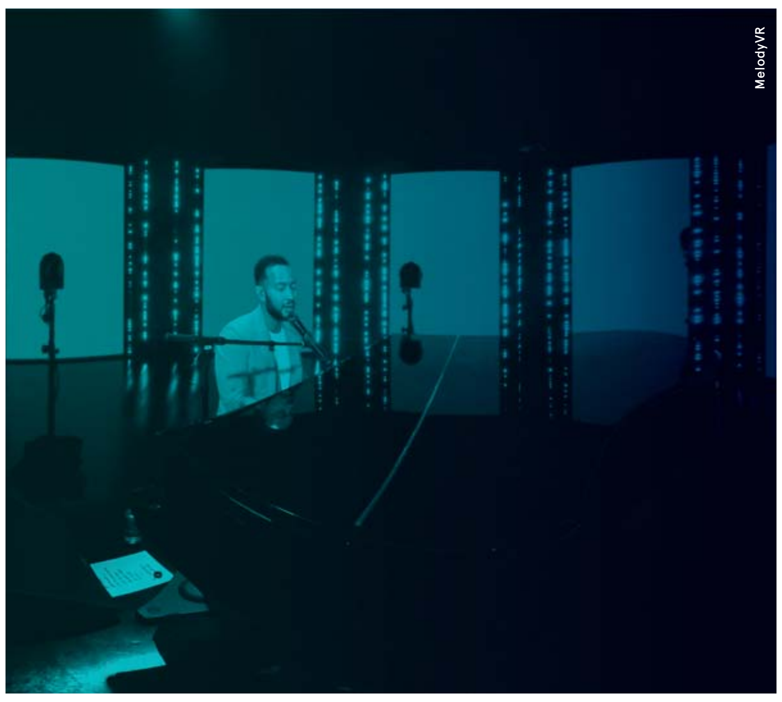
It would be easy to assume those in the business of live-streaming would be insulated from the impact of COVID-19. But even MelodyVR, a US company that creates virtual reality music experiences, has had to rethink how it does business.

Indeed, all of its content is based on real-life gigs. As the live music industry shuttered, the team had to reconsider how and where to create original content and deliver value to clients in the interim.

On May 16, MelodyVR launched its newly kitted-out, COVID-secure studio and an events series, dubbed Live From LA, featuring artists such as John Legend, Cypress Hill and Nelly.

Designed with the help of third-party health and safety experts, the studio features an isolated space for artists to perform where they won't come into contact with onsite crew, who handle tech and production needs from a separate space, communicating with the artists via a public-address system as needed. Fans, who haven't had many options for watching live music during lockdown, can tune in via the MelodyVR app.

The company has since replicated the concept elsewhere, working with Live Nation in the UK to broadcast Wireless Festival virtually from Alexandra Palace. More than 132,000 fans in 34 countries tuned in to the festival, which took place in the first week of July. "More than you'd have in Finsbury Park," the event's original location, MelodyVR's founder Anthony Matchett notes.



MelodyVR

Self-isolation stations
25hours Hotels

In mid-March, European hospitality brand 25hours Hotels saw occupancy crash from 95 per cent to zero. But in Germany, where the company is based and most of its 13 hotels are located, it was able to find a workaround.

Rather than being instructed to close, hotels in Germany were simply told to cut overnight stays. Having people in the building during the day wasn't a problem, so 25hotels started marketing its rooms as COVID-secure "home offices". For €50 a day, or €200 for the week, workers could book into a room with high-speed wifi, a work station and complimentary Nespresso coffee.

With more than 700 bookings across April and May, business was still at a fraction of pre-COVID levels. But the media attention generated, with TV stations in Munich and Cologne featuring the initiative, paid dividends. Bruno Marti, 25hours Hotels' chief brand officer, says forward occupancy in June was at 40 per cent across the group, outpacing the wider industry; according to data from Forward Star, forward occupancy in most European capitals was at roughly 20 per cent during June.

Marti says the office offering will stay until business is back to normal levels. "We have always offered day-use rooms," he adds. "What's new is that people come to the hotel for the day not with their lover, but for their work."

25Hours Hotels

WEDDINGS

For better or worse

Coronavirus has had a damaging effect on revenues and customer numbers for nearly every part of the events industry. For wedding companies, the impact has been catastrophic, forcing organisations to shake up their offerings

Sarah Drumm

Photos by Lanty/Unsplash

This summer will be a quiet one for Opulence Events, a London-based event planner that focuses on Asian weddings. In 2019, founder Deep Bajwa hosted 10,000 people across 37 events between June and August. This year, the numbers are pretty much zero.

Because of the coronavirus pandemic, 64 per cent of weddings across 2020 are expected to be cancelled or postponed to next year, according to planning startup Bridebook. Current restrictions allow weddings with up to 30 people in the UK, so long as social distancing is maintained, but Bajwa says not all couples are willing to make the concessions required. "The very nature of weddings is they're full of love, laughter, hugging and dancing," she says.

Bajwa is now working with couples to manage their expectations, encouraging them to consider unconventional formats for their 2021 events. "We're suggesting multiple, smaller events with different guest lists," she says. "For the registry ceremony or rehearsal dinner you'd just invite your inner circle, but you might have pre-parties where you invite different crowds."

For the rest of the year, wedding businesses will need to find ways to keep busy. Planners are letting couples partly postpone payments due for postponed weddings and seeing who else they can offer their services to. Bajwa is now advising other entrepreneurs through her new company, The Well Heeled Coach, while digital registry startup Zola is creating content discussing the logistics of postponing a wedding, to assist its customers. It's also offering free "change the date" cards to anyone who bought wedding invitations via the platform.

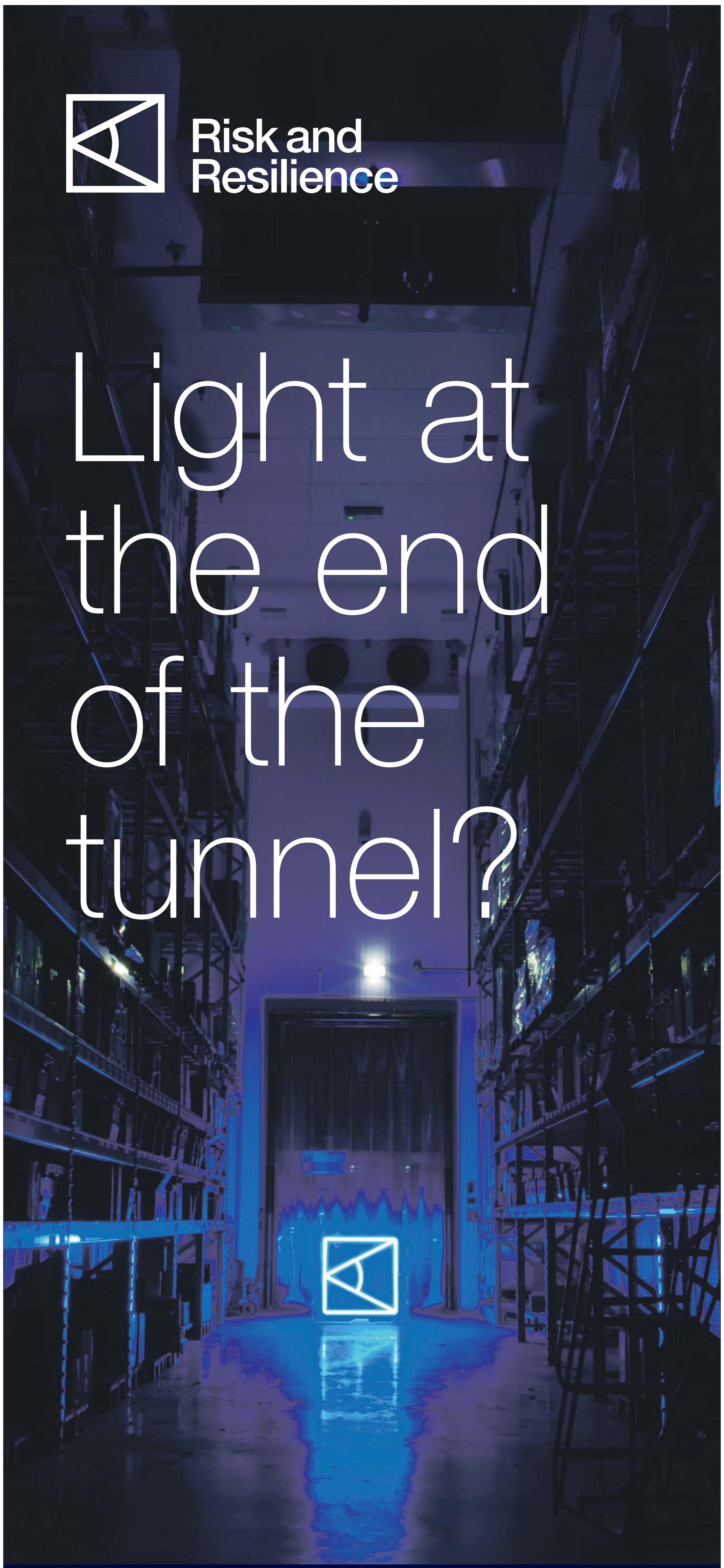
Others are pushing on with normal services. Wedding cake suppliers such as Serendipity Cake Company, based in Hertfordshire, have launched online consultations, posting tasting boxes out to clients. Mumbai-based matchmaking platform Shaadi.com, meanwhile, is helping couples host weddings at home by connecting them to make-up artists and Hindu priests via video. After the ceremony, meals and favours are delivered to the homes of would-be guests. On April 14, it hosted a virtual wedding with 200 attendees for a couple based in Ghaziabad in the Indian state of Uttar Pradesh.

Going forward, vendors will need to implement COVID-secure practices. Bajwa says venues will need to consider offering virtual reality tours to cut down on visits. For guests who aren't able, or don't feel comfortable, to attend, couples may choose to live-stream their vows. Wherever a wedding takes place, venues will need to carry out risk assessments to ensure their spaces are pandemic-proofed.

Insurance will also be a necessity, not an option. According to insurance firm WeddingPlan's 2020 survey, just 54 per cent of couples currently buy wedding insurance within one to two years of their date. For suppliers, working with professionals to ensure contracts are watertight will also be essential. "Many people are rewriting their contracts not just to protect themselves better, but also their clients," says Bajwa.

With regulations changing rapidly, it's not easy to know what is the safest way to operate. Bajwa has logged on to legal webinars to improve her understanding of the specific risks COVID-19 presents in her industry. "As a wedding planner, I have to make sure my team all have protection, that we're up to date with the guidelines and on top of the legislation, which is quite foggy," she says. "We've been begging for clearer guidelines." ●

> “
> **I have to make sure we're up to date with the guidelines and on top of the legislation, which is quite foggy**



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STRATEGY

Why mission statements matter

Mission statements are more than just a public relations exercise; they can help engage staff, improve company culture and guide a business through a crisis

Jostaphot/Getty Images

Josh Sims

Priya Lakhani was faced with an unexpected request. The chief executive of startup Century Tech, which focuses on the use of artificial intelligence in education, had been approached by a group of her employees who asked if the company could give its software away for free during the coronavirus lockdown?

"Giving it away is not something we had ever done. But they were absolutely right," she concedes. "After all, it was consistent with our mission statement and the values it expresses. And, when you get down to it, employees, suppliers, customers all want to know if those values hold true. We even make that statement part of our employment contract. If it makes you excited about the business culture here, it means you'll probably be a good fit."

Some 20 years ago, a mission statement – that blurb, sometimes internal, sometimes public, expressing what a company is all about, what makes it different, what it aspires to – was, as John Niland puts it: "More just a cool thing to have."

The founder of leadership training organisation the Self-Worth Academy, adds: "They often felt like a box-ticking exercise, in the way every company must have a sustainability policy now. But that's changed. A good mission statement can be very effective in times of business crisis such as this. It allows you to maintain engagement with your employees because they're able to identify with the larger vision, even when you're really going through the wringer."

Patrick Hofmann, founder of premium food distributors Sundance & Partners, which has lost 90 per cent of its business during the pandemic, says: "A mission statement is a way of directing everyone towards a common goal, even when it's been an extremely difficult situation with staff retention, as has been the case [in the hospitality industry] over the last few years, before COVID-19.

"A lot of our workers have been offered more money by our competitors, but prefer to stay with us. Why? Because people also need a clear purpose. They want to work for a company that's clear on what it's about."

But that, of course, requires getting the mission statement right. And not all companies do; their statement leaning more towards, as Niland has it, expressions of grandiosity and ego.

> **Any time something becomes a management fad, stop right there, because inevitably it will be badly done and that certainly used to be the case for many mission statements**

"Any time something becomes a management fad, stop right there, because inevitably it will be badly done and that certainly used to be the case for many mission statements," adds Dr Randall Peterson, professor of organisational behaviour at the London Business School. "A bad mission statement can be totally debilitating."

Jill Schiefelbein, business coach and author of Dynamic Communication, argues that the effective kind goes beyond telling the world what a company does and gets across the value it alone brings. Such a mission statement can then be a useful tool for hiring and public relations, but is also a filter for decision-making.

"In the current climate, in which really tough decisions are being made, a mission statement can take the painfully personal out of a situation because, even with redundancies or furlough, you're still working towards the core values it expresses," says Schiefelbein. "The problem is that a lot of companies take the creation of their mission statement seriously, but then don't follow through with its integration. Even employees end up not being able to tell you what the mission is."

Dr Inma Adarves-Yorno, ex-human resources manager and now psychologist and identity researcher at the Exeter Centre for Leadership, says: "A mission statement is a very useful means of giving a company an identity for employees, consumers, investors. But the best ones are really felt.

"It's why consumers, for instance, typically tend to recognise the brand long before they do any mission statement, because the former tends to be emotional and the latter more cognitive. It's why, in times of crisis, when people want to be inspired, a change to the mission statement can bring people with it."

But, she warns, a mission statement isn't something to get overly attached to. It's a balance between using it as an anchor and sticking with it so rigidly that it becomes an obstacle and hampers the agility required by a crisis. As her colleague Stephen Taylor, senior lecturer in human resource management at the University of Exeter Business School, puts it, a mission statement "needs to reflect lived reality", both to avoid cynicism and to be effective.

Hilary Freeman, managing director of shoemakers Edward Green, which has seen production cut by a third since the pandemic, says: "Even facing a crisis, a mission statement needs to be continuously reviewed because a mission is live, not a series of platitudes.

"A mission statement is a blanket. But a mission is every day and has to be flexible. It's because it is understood by the people who work here to be a living thing that they feel it very strongly, I believe, and this matters when times are tough. Yes, our mission is to pursue 'excellence without compromise', but it would be easy to think of that just in terms of product. But because it's lived, employees know it also refers to how they're appreciated, for example."

Chef Simon Boyle has seen mission statements work well both for corporate giants – he's ex-Unilever – but also for smaller fry, such as the social enterprise Beyond Food Foundation, which he founded, and to give clarity to the intent of his forthcoming social venture Me&U.

What's the bottom line? Boyle highlights a subtle but important distinction, which he says is all the more important now. "The fact is that a company can always pay some smart creative agency to come up with a convincing mission statement," he concludes. "But it's not that mission statements have to sound believable; what matters is mission statements have to be believed in." ●

PURPOSES OF MISSION AND VISION STATEMENTS

According to Bain & Company, companies use mission and vision statements to:

INTERNAL

- Guide management's thinking on strategic issues, especially during times of significant change
- Help define performance standards
- Inspire employees to work more productively by providing focus and common goals
- Guide employee decision-making
- Help establish a framework for ethical behaviour

EXTERNAL

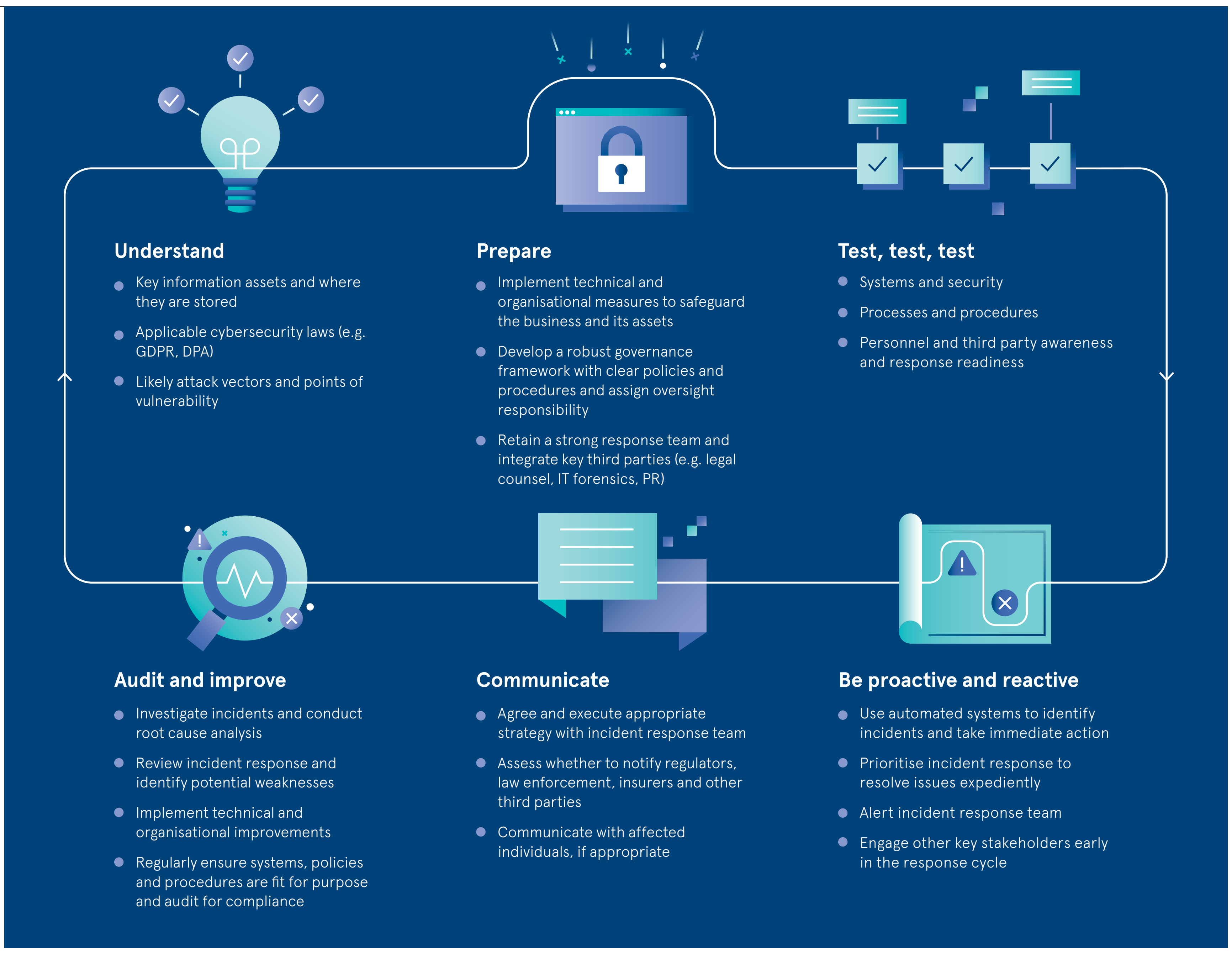
- Enlist external support
- Create closer linkages and better communication with customers, suppliers and alliance partners
- Serve as a public relations tool

Commercial feature

Q&A

Responding to a cyber-incident

With the coronavirus crisis having exposed many companies to more cyber-threats, senior data protection and cybersecurity lawyer **John Timmons**, and data protection partner **Tim Hickman** at law firm White & Case, reveal how to respond should a major incident occur



Understand

- Key information assets and where they are stored
- Applicable cybersecurity laws (e.g. GDPR, DPA)
- Likely attack vectors and points of vulnerability

Prepare

- Implement technical and organisational measures to safeguard the business and its assets
- Develop a robust governance framework with clear policies and procedures and assign oversight responsibility
- Retain a strong response team and integrate key third parties (e.g. legal counsel, IT forensics, PR)

Test, test, test

- Systems and security
- Processes and procedures
- Personnel and third party awareness and response readiness

Be proactive and reactive

- Use automated systems to identify incidents and take immediate action
- Prioritise incident response to resolve issues expediently
- Alert incident response team
- Engage other key stakeholders early in the response cycle

Communicate

- Agree and execute appropriate strategy with incident response team
- Assess whether to notify regulators, law enforcement, insurers and other third parties
- Communicate with affected individuals, if appropriate

Audit and improve

- Investigate incidents and conduct root cause analysis
- Review incident response and identify potential weaknesses
- Implement technical and organisational improvements
- Regularly ensure systems, policies and procedures are fit for purpose and audit for compliance

Q What impact did lockdown have on companies' exposure to cyber-threats?

A Organisations had to rapidly adopt new systems, processes and procedures to accommodate remote working, and aggressively roll out existing solutions not widely used pre-lockdown. With everybody suddenly operating from home, patterns of work, and therefore network usage, changed too. The attack vectors changed, as did the points of weakness in organisations' information security. All this had a major impact on risk and management of cyber-threats. The sheer speed at which organisations had to adapt meant many did not have the time to do their standard diligence on providers and suppliers, which led to the deployment of solutions based on incomplete information and the possibility of latent security flaws. If these issues are not picked up quickly and acted upon, organisations are susceptible to problems down the line and greater exposure to cyber-threats.

Q If a major incident does occur, what are the immediate steps an organisation should take to respond?

A It's something every executive fears: that call in the middle of the night saying that there has been a major cyber-incident. The speed of response is vital; as much information as possible must be gathered in those very early moments to understand what information and systems have been compromised. Has this happened before and does it indicate a systemic issue? What is the risk to the organisation, its reputation and its customers? Establishing that initial snapshot assessment is incredibly important as it will drive not only the prioritisation of the response, but the entire process. If an incident is correctly identified as high risk at the onset, the response timeline will accelerate, with organisational resources deployed more appropriately.

Q Once that initial risk assessment is complete, what should happen next?

A Principally, it's about damage limitation and controlling the incident, so understanding the mitigating factors that might help to reduce risk to the business is key. If information has been lost or stolen, for example, was that information subject to encryption? Is it in a format that would be useless to a third party? Did the incident involve theft of a device that has since been recovered? If, following that risk assessment, you conclude that it is a major, high-risk incident, then the response must be fast. It may be necessary to first internally escalate by notifying the executive committee or wider board. External legal counsel should be involved as early as possible so they are on call to respond whenever needed throughout the incident. Engaging legal counsel has the added benefit of establishing privilege in certain circumstances, which can protect sensitive discussions from future disclosure should there be an investigation or litigation. Forensic IT experts are also an essential part of the damage limitation process, particularly in identifying the threat, understanding what went wrong and taking the appropriate measures to stem the tide. Regulators need to be informed as soon as possible, as should affected individuals, where organisations are legally required to do so.

Q What elements of response are sometimes overlooked?

A Public relations plays an often overlooked, but absolutely crucial, role in controlling the narrative and allowing the organisation to present the best and most accurate representation of the incident. At each stage of the response process, it is also vital to preserve evidence and record details of every action and decision that was made. You may look back and determine that, in hindsight, poor decisions were made, but if you can show precisely what information guided those decisions at the time, it can be beneficial in the event of an investigation or litigation. Of course, excessive retention of records and information can also present challenges, but legal counsel will be able to assist in striking the right balance.

Q How does White & Case support companies in this important area?

A Cybersecurity incidents do not respect national borders. Companies are often affected in multiple jurisdictions, with different regulators and laws in relation to disclosure obligations and timeframes. White & Case's global Cyber Incident Response team has extensive experience working with clients that have a multi-jurisdictional footprint. While we work with these clients through all stages of the preparedness, response and review process, we are uniquely positioned to assist during the critical incident response phase. This is due to our global presence and cross-disciplinary team of cyber-experts who are constantly collaborating with each other and with PR, IT forensics, internal compliance and incident response teams, helping to deliver crisis management and legal advice whenever and wherever it is needed.

For more information please visit whitecase.com/cybersecurity

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