



BUSINESS CONTINUITY MANAGEMENT

Naresh Patel writes “You never know when a disaster is going to strike, and in the heat of the moment it is easy to make mistakes that compound the situation”.

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Fire and other business interruptions have raised considerable concern in the golfing community, and brought the value of business continuity management into sharp focus.

Successful clubs can achieve excellence through the combination of the right strategies and their ability to maximise resources. The key to long term success is sustainability and Business Continuity Management (BCM) is a vital component in the delivery of these strategies.

Incidents can strike at any time, often with little or no warning and with devastating consequences to your club. They come in many forms and no one is immune.

Examples include:

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| <i>Fire</i> | <i>Flooding</i> | <i>Public liability incidents</i> |
| <i>Loss of Information Technology</i> | <i>Loss of Key Staff</i> | <i>Theft of assets</i> |
| <i>Terrorism – Al-Qaeda to attack major tournaments</i> | <i>Malicious damage/ vandalism</i> | <i>Natural perils (Lighting, earthquake?)</i> |
| <i>Food poisoning</i> | <i>Health & Safety incidents</i> | <i>Breach of employment legislation</i> |
| <i>Environmental risks (Legionnaires and pollution)</i> | <i>Failure of temporary planning applications</i> | <i>Loss of sponsorship or external funding</i> |
| <i>Foot and Mouth</i> | <i>Competition</i> | <i>Threats to members/ players</i> |
| <i>Stand collapse</i> | <i>Regulatory issues</i> | <i>Loss of key suppliers</i> |
| <i>Loss of electrical power</i> | | |

The list is endless...

Many clubs adopt a view that, “it will never happen to us”, but what if it did? What is the first thing that you would do? In any emergency situation, when individuals are under immense pressure to make decisions quickly. Under extremely stressful conditions, it is more likely that the decisions made will be poor ones, which could have far reaching consequences. However, if we spent a little time ensuring we were better prepared, the best possible decisions could have

already been made before the event - and be clearly and concisely documented to guide us through the aftermath.

When asked to consider the effects of a disaster, many clubs say that they are adequately covered by an insurance policy. **Insurance provides only a limited level of financial support and does not extend too many of the incidents already mentioned.**

All that an effective BCM system will cost you is the time spent in consulting with people, considering your options and drawing up the plan.

This is a much simpler process than it might seem. It could be the best investment your club is likely to make.

Definition

In its simplest form business continuity is defined as the “ability of the club to ensure the continuance of its critical processes due to unforeseen business interruptions”.

Benefits

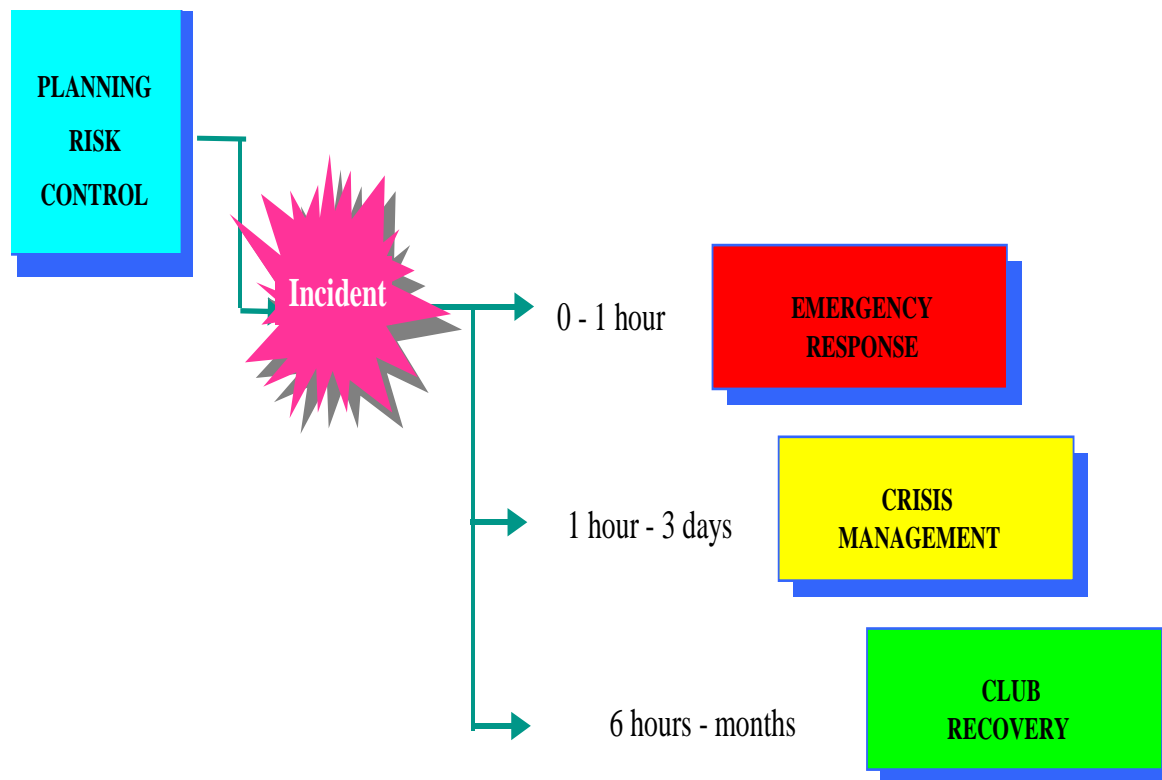
The benefits of having an effective Business Continuity Management system include:

- ☛ Better presentation of risk to insurers and more cost effective insurance programmes
- ☛ Identifying and quantifying threats to your operations, personnel, property
- ☛ Help in establishing accurate professional property valuations and other risk protection in the event of loss/ damage
- ☛ Establishing alternative operating strategies to restore critical operations
- ☛ Safeguarding the interests of all stakeholders including customers, employees, shareholders and suppliers
- ☛ Safeguarding the health and safety of players, employees and visitors
- ☛ Protecting your revenue streams, reputation, profits, competitive advantage and employees' livelihoods
- ☛ Minimising property damage and business interruption
- ☛ Maintaining a positive public image of a “well-managed club”.

Plan development

The process starts with a risk assessment exercise determining key threats and implications arising from a loss of service. It then goes on to identify the critical processes and underlying systems that support these processes. Once the risk assessment is completed, short and long-term strategy is formulated to recover the organisation.

Once the strategy is agreed, Business Continuity Plan is then developed to implement actions reflective of the recovery strategy.



The plan has three key elements:

1. Emergency response

The actions taken during the critical initial minutes of an emergency often determine its ultimate impact. Emergency response phase should include such action as:

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| <i>Plan invocation</i> | <i>Emergency services</i> | <i>Evacuation procedures</i> | <i>Roll Call</i> |
| <i>Fire assembly points</i> | <i>Key holders</i> | <i>Utility cut off points</i> | <i>Club shutdown</i> |
| <i>First aiders</i> | <i>Missing persons</i> | <i>Securing the club</i> | <i>Controlling hazardous materials</i> |

2. Crisis Management

Managing a crisis will test the leadership of any Club secretary like no other situation. How will your club deal with the intense scrutiny of the news, media, the public, community, stakeholders, friend and family in the aftermath of the incident?

The notification and the assembly of the crisis management team must be done quickly and easily. The crisis management phase of the plan must be able to:

- ☞ Set up command centre from where the incident will be managed
- ☞ Set up help-line number to ensure staff and external parties are kept informed as the management of incident progress

- ☒ Set up press conference facilities
- ☒ Set up emergency fund
- ☒ Set up alternative working arrangements at a temporary site ie Artisans club
- ☒ Communicate to all Stakeholders, Suppliers, players/ members
- ☒ Deal with telecommunications issues such as immediate divert of critical lines
- ☒ Deal with logistical issues for support staff
- ☒ Deal with property salvage and restoration
- ☒ Provide revised media statement as required
- ☒ Provide next of kin list
- ☒ Provide emergency number for welfare issues
- ☒ Provide trauma counselling as appropriate
- ☒ Inform media about channels for information
- ☒ Inform staff about temporary salary arrangements
- ☒ Inform insurer and loss adjusters
- ☒ Arrange hospital visits as required
- ☒ Sanction and draw up lists of costs incurred by recovery teams
- ☒ Update website.

3. Club recovery

One of the most important components of business continuity management system. It should include as a minimum:

- ☒ Disaster declaration criteria ie when do you invoke the business continuity plan
- ☒ Establishing a steering group to develop emergency response and club recovery strategies. The steering group should have the knowledge, authority and responsibility to develop a wide-range of recovery alternatives
- ☒ Maximum allowable downtimes for critical processes
- ☒ Names of emergency response team and crisis management team. Deputies must also be identified.
- ☒ List off all stakeholders ie anybody who an interest in the club
- ☒ Names of broker/insurance
- ☒ Contact details for all committees within your club eg green, house, ladies
- ☒ Contact details of your bank
- ☒ Contact details for professional advisors eg employment law advisors, solicitors, auditors
- ☒ List of all your members
- ☒ List of your key suppliers for Course, Pro shop, catering etc
- ☒ General support eg plumbers, electrician
- ☒ Media contact details including local press and golf journals.

Once the plan is developed, it is then exercised to make sure it meets the needs of the club. The plan can go out-of-date very quickly. So maintenance procedures are required to ensure that the plan remains valid and current at all times.

The Sports Practice of Marsh has worked with a number of golf clubs in implementing a Business Continuity Planning solution “Continual Golf”, as well as providing BCM for numerous renowned sporting organisations.

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