

Your essential 7-point unexpected event checklist



How would your business react when faced with an unexpected event?

The devastating Christchurch earthquakes last year had a horrific impact on the community and crippled several businesses.

While extreme disasters such as the Christchurch earthquakes or the 2010-2011 Queensland floods may be rare, they can occur when and where we least expect. For example, in May last year a deadly tornado in Auckland tore through several suburbs, costing tens of millions of dollars in property damage. However, it may not take such a large disaster to disrupt business. Extreme weather conditions such as heavy snow falls can have adverse effects on businesses, closing roads and grounding flights. One only needs to look at the recent floods in Sydney and Northland New Zealand to be reminded of the chaos Mother Nature can cause. With globalisation, your exposure isn't just limited to local events either; the Japanese earthquake caused major supply chain disruption headaches for many importers.

In this handy guide, we offer a quick 7-point checklist to ensure you're well prepared to deal with any unpredictable obstacles, as well as offer a variety of hints and tips to increase your resilience and you keep your business engine running when faced with the unexpected!



Your 7-point unexpected event checklist

1. Have you planned ahead?

Identify the essentials for keeping the business going and communicate these priorities to key staff to get buy-in from the team.

Evaluate all real and perceived risks so you can formulate a strategy to protect your business. Start planning now and consider how you will handle future scenarios should any unexpected events occur:

- Which activities are fundamental to keeping your business going? Which could be postponed?
- How many employees are needed to provide an essential 'skeleton staff'?
- Could active staff be temporarily redeployed on make-or-break business activities?

2. Stay alert

While you won't want to encourage staff to stay at home unnecessarily, if staff can't get to work, identify how work can continue 'as normal':

- Consider how alternative working patterns or internal resources could be reallocated to ensure key activities are maintained.
- What are the tools/processes required to ensure business agility and continued productivity?
- Are your staff equipped to work from home?
- Is there any work that your staff could take home with them, just in case? Think of those tasks that require concentration and are difficult to do in a busy office, such as planning or report writing, and turn working from home into an advantage.

3. Are you set up to work remotely?

Put systems in place to enable your teams to work remotely if required so that they can gain access to key, real-time information, and share documents online wherever possible:

- Today's technological advancements can enable an 'any time/anywhere' working philosophy, but do you have the systems in place to make this a true reality?
- Do your business systems offer a true remote working solution?
- Can your staff gain secure access to key, real-time information, and share information and documents online?
- What other areas of your business, such as your call centre and key service staff, are set up to work remotely?

4. Prepare your staff

If your business depends on you being able to visit customer sites, it's essential to consider how your front-line operatives can continue responding to your customers' needs and provide a level of service in line with their expectations:

- What's the plan? Ensure staff are clear about your expectations and what they should do.
- Look to reschedule/re-resource to keep projects on time and on schedule.
- If staff cannot reach the customer, what other billable work could they do? Again, is there potential for home-working or using an office nearer to home than usual?
- If the allocated person cannot get to the customer, who else has the skills to attend in their place?



5. Maintaining customer service

Customer service levels can be greatly impacted by the unexpected events, particularly those organisations that require on site attention, so it's essential that businesses plan ahead to ensure that the right systems and processes are in place to maintain the levels of service that your clients have come to expect:

- Keep the communication channels open. If customers are fully aware of the situation, they may be more forgiving and less likely to impose penalties when you cannot meet the service level agreement (SLA).
- Explore the possibility of redirecting calls to key personnel working at home.
- A web portal could equip your staff, contractors and even your customers, with the ability to log calls, gain access to live information and check the delivery status of their jobs, reducing the number of calls into your call centre and taking the burden off your staff.

6. Manage your suppliers

If your business deals with any kind of stock, brainstorm the impact of your key suppliers failing to deliver vital stock items. Your software should help you in 'what if' scenario planning:

- What would be the impact if your key suppliers can't meet your normal delivery schedule?
- Do you have back-up suppliers waiting in the wings? If their costs are higher, work out whether you can delay ordering or should pay their higher prices to meet your commitments.
- Do you have stock control and forecasting systems in place to help you plan ahead? Without tying up too much cash, identify and order essential items in advance to ensure you carry optimum levels of stock. Your systems should offer the ability to monitor stock levels and automatically re-order and replenish stock at the optimum time.

7. Communicate, communicate, communicate

Whatever the disruption, keep a clear head and ensure communication channels are kept open.

- By maintaining open and honest dialogues with all stakeholders the levels of disruption that an unexpected event may cause should hopefully be kept to a bare minimum
- Make sure you have multiple ways of communicating with staff. What alternative meeting points exist? If staff can't get into work, who is the next point of contact? Having clearly defined responsibilities and procedures in place will enable smoother operation and keep staff informed.

In conclusion

Although crises on such a magnitude as the Christchurch earthquake do seem rare, the old saying of better safe than sorry still applies. With enough forward planning, your business will be in a better position to handle any unexpected events that may occur.

With the right systems in place, you should be able to realign business resources and prioritise to minimise the risk of activities coming adrift from the schedule. You should also be able to plan for the worst by being able to model the potential impact of unexpected events on different areas of your business. You'll also better understand the impact if your business has to 'take the hit' and be able to plan for a quick recovery.

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