COVID-19

GUIDE ON BUSINESS CONTINUITY MANAGEMENT SYSTEM

INTRODUCTION

- The novel coronavirus (nCoV) belongs to a family of viruses known as the Coronaviruses, which can cause illnesses ranging from the common cold to more severe diseases, such as the Severe Acute Respiratory Syndrome (SARS) and Middle East Respiratory Syndrome (MERS).

- The novel coronavirus (nCoV) infections started in China but confirmed infections have also been reported in Kenya and other parts of the world.

- To help businesses prepare for and manage through a potential COVID-19 escalation in Kenya the Kenya Chamber of Commerce developed the following summary.

- It is designed to assist business planning and continuity efforts. This tool includes contains some of the most relevant and credible information, best practice tools and resources

BUSINESS OPERATIONS

- Due to the globalization and interconnectedness of the business world today, the measures taken by governments across the world are likely to result in minimal movement of people and goods, affecting business operations in Kenya.

- As COVID-19 appears to have originated in China, often referred to as the "factory of the world", the impact on supply chains is likely to be significant.

- A reduction in the movement of people and goods means that we are likely to have reduced foreign investments, transactions and supplies.

- In addition, the low economic environment is likely to lead to business failures, insolvency cases, debt and mortgage repayment default, layoffs/redundancies, profit warnings by public companies as well as lack of credit access due to the strain caused on financial institutions by loan defaults and diminished cash flows/deposits.

- Further, we anticipate in a worst-case scenario the shutdown/slowdown of government services will make it difficult for businesses to obtain relevant permits, approvals and comply with other statutory obligations.

- Notwithstanding the potential shutdown/slowdown, we think that businesses may find it difficult to comply with statutory obligations such as annual reports and tax filings due to the strain on their operations and human resources.

GUIDANCE FOR BUSINESSES

- Conduct a proper review and assessment of your business to understand the risk and potential impact of COVID-19 on your operations and financials; and take appropriate mitigating measures.

- Review all your contractual obligations and communicate with your contract counterparties on the potential impact of the crisis on your performance of the contract obligations; and possibly reach a consensual agreement on future performance.

- Review your financial obligations under existing loan agreements and your ability to perform those obligations in light of an imminent reduction in revenue/profits; and engage with lenders on possible variation of existing terms.

- Review your cash flow practices, immediately take measures to ensure the survival of the business in a low business environment, and in what is likely to be a strained credit market.

BUSINESS CONTINUITY PLANS (BCP)

A. Human resource management

1) Flu Manager should be appointed to ensure that employees are familiar with the business continuity plans and comply with them during this period.

2) Develop a plan for the continuity of leadership in the event of absence of key decision makers and executives.

3) Consider flexible work arrangements for the high-risk employees, as well as employees who need to stay at home due to other reasons relating to the novel coronavirus (nCoV), e.g. to take care of family members who have travelled to known affected countries or regions.

4) Review employee management policies such as absenteeism, sick leave, overseas travel, workplace closure and recall of non-critical employees and their families from affected countries.

5) Exercise readiness to implement public health response measures, e.g. contact tracing and social distancing, as advised by the MOH.

B. Communications

1) Begin by identifying a communications coordinator who will disseminate your communications plan in line with your business needs and business continuity plans.

2) Ensure that employees have a clear understanding of their roles and responsibilities before the virus outbreak spreads. For example, employees should be informed of the BCP measures that will impact them and be kept updated on the policies and progress on the measures to be implemented by the company in the event of a virus outbreak. Consider setting up a communication channel for employees to report their status and to make enquiries.

3) Identify the relevant stakeholders such as suppliers, service providers and customers, and key messages for each stakeholder group; and begin a dialogue with them on potential contingency measures during a virus outbreak.

C. Supplier and customer management

1) Identify essential suppliers and service providers, and discuss continuity issues with them such as understanding and implementation of their Business Continuity Planning.

2) Identify essential customers and ensure that plans are in place to meet customer needs.

3) Develop a plan on how and when to activate:

- Alternative suppliers

- Alternative delivery means to customers

D. Process and business functions

1) Identify critical business functions (prioritized activities) and essential employees. Enterprises should consider the following:

a) Set up alternate teams of employees (e.g. Team A & Team B) who can be deployed at different work schedules (e.g. Team A working in the office at alternate weeks, while Team B telecommutes). Team A and Team B should be physically segregated to avoid the risk of infection between teams.

b) Cross-train workers and establish covering arrangements to minimize disruptions.

2) Educate employees on infection control and good personal hygiene.

3) Monitor closely the novel coronavirus (nCoV)-related developments and follow travel and health advisories on the MOH and other government agencies' websites.

a) Employers and employees are encouraged to take precautionary steps based on advisories issued by government agencies.

b) Employees should check the list of affected areas on the government agencies' websites before making any non-work-related travel plans.

c) When travelling overseas, employees should adopt the following precautions at all times:

- Avoid contact with live animals including poultry and birds, and consumption of raw and undercooked meats.

- Avoid crowded places and close contact with people who are unwell or showing symptoms of illness.

- Observe good personal hygiene.

- Practice frequent hand washing with soap (e.g. before handling food or eating, after going to the toilet, or when hands are dirtied by respiratory secretions after coughing or sneezing).

- Wear a mask if you have respiratory symptoms such as a cough or runny nose.

- Cover your mouth with a tissue paper when coughing or sneezing, and dispose the soiled tissue paper in the rubbish bin immediately.

- Seek medical attention promptly if you are feeling unwell.

4) Develop a robust employee sickness surveillance process to identify and manage unwell employees.

5) Ensure adequate supply of appropriate Personal Protection Equipment (PPE) and medical equipment (e.g. thermometers, disposable gloves, surgical masks, N-95 masks and disinfectants) and undertake training to familiarize employees on their usage.

Remember:
Now is the time to prepare for COVID-19. Simple precautions and planning can make a big difference. Action now will help protect your employees and your business.

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