

# **BRAC International Business Continuity Guideline for Key Processes**



**March 2020**

## INTRODUCTION

As the 2019 coronavirus crisis sweeps across the globe, organizations are triggering Business Continuity procedures for the disruption this pandemic is causing now or may cause in coming days and months. The objective of Business Continuity process is to identify key processes and resources to ensure structured response during a crisis, manage day to day operations and recover as quickly as possible.

This Business Continuity guideline is focusing on five business processes to complement to continuity of our Program interventions, that are being suggested through other Directive(s). The Business Processes covered in this Guideline are: a) Finance operations b) IT operations c) Asset, Resources, and Property protection / security d) HR Processes and e) Internal communications regarding these processes.

## SCOPE

This document is applicable for all BI entities irrespective of size and complexity or type of operations (Social Development or Micro Finance Operations). The basic processes to operate for business continuity are same for any operating units (e.g. making key payments, securing IT systems).

Key element of business continuity is protection of staff and beneficiaries in response to coronavirus outbreak. BRAC International Management team has been providing specific guidance on these issues in the past few weeks (e.g. travel advisory, maintaining social distance, personal hygiene for outbreak preventions) through task force and BI COVID 19 response group. Those comprehensive guidance and instructions are not repeated again here, please refer to the directive sent by the BI Executive Director on 19<sup>th</sup> March on this.

## Steps

There are three steps in the Business Continuity Process. These are as follows:

### Step 1: Identify key processes that must continue during the crisis

Effective business continuity operations are focused on continuing **some key processes absolutely necessary for the day to day country operations.** Some processes are important for an operation but not absolutely necessary in a crisis situation (e.g. monthly financial reporting process to BI for Fixed assets). Key process will be only those processes which are required to keep the “lights on” in a country operation.

As a general guidance, a BI entity is expected to include the following for business continuity:

- Maintain key Financial processes
  - Maintaining liquidity at bank, cash management and cash flow forecast
  - Ensuring smooth banking operation for payment (including staff salary) and fund receipt
  - Making loan repayment for MF entities
  - Day closing and cash book reconciliation (Country office and Field offices)

- Secure IT Processes
  - Maintaining network & Internet infrastructure,
  - Ensuring emergency IT support for day closing, ERP & other operations and vendor support
  - Ensuring backup and recovery of the IT systems
  - Conduct server system and security administrations
- Maintain physical security and branch operations
- Secure Human Resources Process :
  - Payroll activities are uninterrupted
  - Review employee management policies are in place specially, Leave management, overseas travel, insurance policy, workplace safety and security, HR communication plan for critical situation etc.
  - Compliance management with all updated policies by Government
  - Ensure employee database is up to date for any emergency situation
- Maintain regular communications to key stakeholders (Donors, Lenders, Investors etc)

## **Step 2 Identify key resources to form the country business continuity team**

These are the key resources needed to operate the processes identified above. This list should not include the whole Country Management Team (CMT) but limited to 5 or 6 resources maximum in a country so that business continuity operations are effective and focused. These key resources to work as a collective “Business Continuity Team” and accountable for delivery of identified processes in step 1.

Generally, as a guidance, the following key resources will be needed to run a business continuity operation:

- Country Director / Representative
- MF Country CEO / MD
- Head of Finance
- IT Manager
- Head of HR
- The focal person for Country Security Operations
- Communication Manager or a nominated person in the CMT for communication to Donors, Lenders, Staff

**As a minimum, the business continuity team will have to include at least three bank signatories for the country banking operations.**

Once the Key resources are identified Country Director/ CR to act as the Chair of the Business Continuity Team and ensure regular contacts among team members are maintained. The team members will have to be given access to mobile, email and internet connections as in a crisis situation they will have to be in constant communications. Each team members to be provided with the following facility during the crisis:

- An official mobile
- Laptop
- mobile internet dongle as a backup to fixed Wi-Fi facility

### Step 3 Execute key Business processes

The following table lists some key processes and outlines some checklist to ensure consistent executions. This activity checklist is not exhaustive but meant to cover basic minimum operational activities applicable to all entities.

**The Country Director / Representative and CEO/ MDs of the Micro Finance Entities will have the ultimate accountability to ensure these activities are conducted for their respective entities within the country.**

Function	Key Business Continuity Process	Responsible	Check List of activities
Finance	Maintaining Liquidity at bank, cash management and cash flow forecast	Country Head of Finance	<ul style="list-style-type: none"> <li>Review current cash at bank by confirming balances with banks</li> <li>Prepare a cash flow forecast showing (Country &amp; field office essential cost for the rest of the year: salary, rent, utility, security, fuel payment and expected Loan installment repayment in coming months etc): this cash flow forecast should have two scenarios. Scenario 1 to cover limited development and MF operations in a country, Scenario 2 to cover the worst case when all operational activities are postponed but staff salaries and other operational costs are to be paid</li> <li>Calculate the numbers of months' liquidity cover for both scenarios (<b>as a general rule, liquidity of at least 6 months to be ensured in the current crisis</b>)</li> <li>Transfer excess cash from field offices to country offices (field offices cash balances to be kept minimum)</li> </ul>
Finance	Ensuring smooth banking operation for payment and receipt	Head of Finance	<ul style="list-style-type: none"> <li>Keep close contact with respective bank managers to ensure internet banking facility continues. If there is no internet banking facility, ensure bank branch operational facility can be accessed in an emergency situation.</li> <li>Monitor banks own liquidity issues: spread the balances between banks so that if any</li> </ul>

Function	Key Business Continuity Process	Responsible	Check List of activities
			<p>bank is in liquidity crisis, funds can be obtained from others</p> <ul style="list-style-type: none"> <li>○ Ensure at least three bank signatories are available in the country at all times</li> <li>○ Make payment to key vendors/ suppliers as per the requirement for rent/ utility/ security/ fuel. <b>Note: Segregation of Duties (SOD) principle still have to be maintained i.e. dual signatory approval for a payment release.</b></li> <li>○ Arrange bank transfer payment to staff as per salary calculations done by the HR team</li> <li>○ Ensure receipts are executed for Grant, Loan and Social Business Sales (e.g. seeds sales in Uganda)</li> </ul>
Finance	Make Loan Repayment to Lenders	Head of Finance	<ul style="list-style-type: none"> <li>○ Contact the lenders to check any change in the payment process as they may have similar disruption in their banking operations</li> <li>○ Arrange the installment &amp; interest payment with Banks (please allow more time than usual now as disruptions expected)</li> </ul> <p><b>Note: Loan installment &amp; interest repayment is a key requirement to maintain creditworthiness of the Micro Finance entity. If any issues encountered in this regard, contact Senior Director MF and Director Finance, BI immediately.</b></p>
Finance	Day closing and cash book reconciliation (Country office and Field offices)	Head of Finance	<ul style="list-style-type: none"> <li>○ Update cashbook and ERP system with daily transactions</li> <li>○ Conduct cash reconciliation and day closing in the ERP system</li> <li>○ Retain all hard copies of the daily transactional and legal documents</li> </ul>

Function	Key Business Continuity Process	Responsible	Check List of activities
IT	Maintaining network & Internet infrastructure	IT Manager	<ul style="list-style-type: none"> <li>○ Ensure all users have LAN network connections accessibility</li> <li>○ Ensure smooth internet connections in country &amp; Field offices: contact Internet Service Providers to find out about any potential disruptions</li> <li>○ Arrange dongle for country management team members as necessary</li> </ul>
IT	Emergency IT support for day closing, ERP & other operations and vendor support	IT Manager	<ul style="list-style-type: none"> <li>○ Ensure field offices closure of ERP Accounts module on a daily basis</li> <li>○ Raise any service issue in the IT issue tracker with relevant priorities (BI IT team will monitor this on a daily basis)</li> <li>○ Contact BI IT team for vendor support (e.g. BITS)</li> </ul>
IT	Back-up and recovery of the IT systems	IT Manager	<ul style="list-style-type: none"> <li>○ Maintain back up with cloud based operational support activities in Amazon Web Services for SBI Cloud ERP modules and Orbit system (check the automated system back up for successful recovery)</li> <li>○ Conduct at least daily physical server backup (for Uganda Bank) CBS &amp; other systems</li> <li>○ Contact the BI IT Team for email operational support (maintained in the Google Cloud for Gmail)</li> </ul>
IT	Server system and security administration	IT Manager	<ul style="list-style-type: none"> <li>○ Monitor the system security log and raise any breaches with the BI IT Team</li> <li>○ Ensure access control issue for key resources are prioritized and provisioned with the BI IT Team</li> </ul>
Security	Maintaining physical security in country offices and branch operations	Country Security focal	<ul style="list-style-type: none"> <li>○ In the unlikely scenario of banking operation discontinuation due to unavoidable circumstances, country offices will maintain higher physical cash balances. Ensure extra security is maintained in the country offices as appropriate.</li> </ul>

Function	Key Business Continuity Process	Responsible	Check List of activities
			<ul style="list-style-type: none"> <li>○ Restrict access of unauthorized personnel to country and field offices to safeguard BRAC personnel and assets</li> <li>○ Conduct a quick fire, electrical safety risk assessment and ensure mitigating actions as necessary</li> <li>○ Maintain regular contact with police, fire services for emergency response services</li> </ul>
Communication	Communications to key stakeholders (Staff, Donors, Lenders, Investors Banks, etc)	Communication Manager or a nominated person for communication by CRs/ CDs /CEOs	<ul style="list-style-type: none"> <li>○ Prepare a list of key stakeholder who needs to be informed on the business continuity operations</li> <li>○ Arrange stakeholder (Donors, Lenders, Beneficiaries, staff) communications in consultations with CR/CD/CEO</li> </ul>
HR	Payroll Process	HR Manager	<ul style="list-style-type: none"> <li>○ Country HR should ensure payroll process is in place in consultation with finance</li> <li>○ All employee payroll data is accurate</li> </ul>
	HR Policies	HR Manager	<ul style="list-style-type: none"> <li>○ All HR policies should be up to date specially: Leave management, benefit administration, insurance policy, and travel management, flexible office hour, work from home etc.</li> </ul>
	Workplace and employee safety	HR Manager/ CDs	<ul style="list-style-type: none"> <li>○ Create safe environment for employees to create awareness among employees with right tools by covering below items:</li> <li>○ Educate employees on COVID 19 by maintaining personal hygiene</li> <li>○ Screening of visitors and employees</li> <li>○ Making sure all external engagement should be monitored and assessed</li> </ul>

Function	Key Business Continuity Process	Responsible	Check List of activities
			<ul style="list-style-type: none"> <li>○ Ensure adequate supply of equipment's like gloves, sanitizers, thermometers, and masks are available for the employees.</li> <li>○ Define a process to clean and disinfect office premises</li> <li>○ Record data of the affected staff maintaining confidentiality</li> <li>○ Support affected staff with advance salary, sick leave or assistance as per country law</li> </ul>
	Safeguarding	CDs/HR Manager. Director HRD	<ul style="list-style-type: none"> <li>○ Maintain revised plan to ensure adherence of the safeguarding policy in this situation</li> </ul>
	HR Communications	HQ Comms team, HR Director, RDs, CDs	<ul style="list-style-type: none"> <li>○ Ensure all people related communications are disseminated with right content to the relevant people.</li> <li>○ Work closely with country or HQ Comms team to ensure circulation of all sorts of critical communications in the right manner</li> <li>○ Ensure time to time support to all BI countries when it is required</li> </ul>
	Safeguarding Staff Database/ HRMS	HR Manager/CDs/DI	<ul style="list-style-type: none"> <li>○ Maintain updated contact information of the staff</li> <li>○ Be ready with the updated staff database and support management with the correct data or any sort of report as and when required.</li> </ul>



## **Team contacts**

In each country the main contact for Business Continuity will be the respective Country Director/ Country Representative for the Social Development Entity and CEOs / MDs/ GMs for the Microfinance entities.

BI Senior Leadership team members (listed below) also can be contacted for any general business continuity guidance.

- Dr. Muhammad Musa - Executive Director
- Shameran Abed – Senior Director Microfinance and UPG
- Sharmin Sultan – HR Director
- Sajedul Hasan- Director Humanitarian Programme
- Moutushi Kabir- Director Communications and Outreach
- Ruth Okowa- Regional Director, Africa
- M. Anowar Hossain – Regional Director, Asia
- Syed Abdul Muntakim- Director Finance

For any country specific guidance on business continuity, please contact the respective Regional Director at first instance. Any specific guidance required for Finance and IT matters should be directed to Director Finance, BI and Micro Finance related matters should be referred to the Director, Operations and/or Senior Director Microfinance & UPG. HR Director, BI is to be contacted for any HR related guidance.