PECB Insights

When Standards Matter

10th Issue | October 2017

THE EDGE OF DISASTER

HOW DO YOU ALIGN YOUR PROJECT TO YOUR QMS?

WHAT CAN WE LEARN FROM HURRICANE IRMA & HARVEY?

IN THE SPOTLIGHT: INTERVIEW WITH NIKLAS HEDIN

STAY PREPARED

One thing about disasters, which is almost a fact, is that they strike without warning. Either natural or man-made disasters, they are very difficult to be forecasted. The risk is always there, and it is a matter of time when it shows itself and finds individuals and businesses unprepared.

To remain confident that you can confront any kind of risks, you should take measures before the storm strikes, because the improbable really happens and becomes a valuable lesson for everyone. When it comes to businesses, large medium or small, it is crucial to implement a standard that ensures that the disasters will not affect the business at the level they would if such standard was not implemented in the organization.

To reduce vulnerability in such unpredictable scenarios, risk management and business continuity planning should be subjects that concern all managers, not just security and quality managers.

If you are seeking to ensure safety during daily operations, obtaining an ISO Certification is a very important step for your organization. When the storm gets stronger, so do you by applying the ISO requirements in your day-to-day activities.

The future demands standards, because they contribute to a secure and more resilient society.

WHEN THINGS GO WRONG, YOU MUST HAVE A BUSINESS CONTINUITY PLAN IN PLACE!

50% OF BUSINESSES
go out of business after a major disruption

2011 marks the most expensive year in terms of disaster losses where

the estimated damage cost is **$360 BILLION**

65% of it was caused by Earthquakes and Tsunamis

US lost more than
$40 BILLION

Asia lost more than
$250 BILLION

$40 BILLION
were lost due to floods in Thailand

$210 BILLION
were lost due to the March Tsunami/Earthquake in Japan

Source: UNISDR

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PAST, PRESENT & FUTURE OF ISO 22301

The Business Continuity Standard Review

The world is currently witnessing disasters and crises that quickly cross borders. As these disasters dramatically increase in frequency, impact, and complexity, organizations need to provide careful planning to achieve the desired prosperity. The organizations should take all the necessary measures to be prepared for overcoming the ever-challenging aspects of disasters and unexpected situations. In addition to recessions, cyber-attacks, and natural disasters, organizations are also threatened by new risks related to public health or supply chain interruptions.

Given the continuous change in the causes, triggers, and impacts of disasters, businesses have to prepare protection schemes which help them deal with the unexpected events. Considering that many organizations operate and compete in a global market, businesses cannot afford interruptions of operations, as it will result in huge long-lasting negative impacts.

To avoid such severe impacts, it is important that every organization has a Business Continuity Plan in place. Business Continuity (BC) is the ability of an organization to continue operating during and after a disaster, and the ability to recover within a short period of time. A Business Continuity Plan (BCP) is also strongly related to contingency, resilience and recovery.

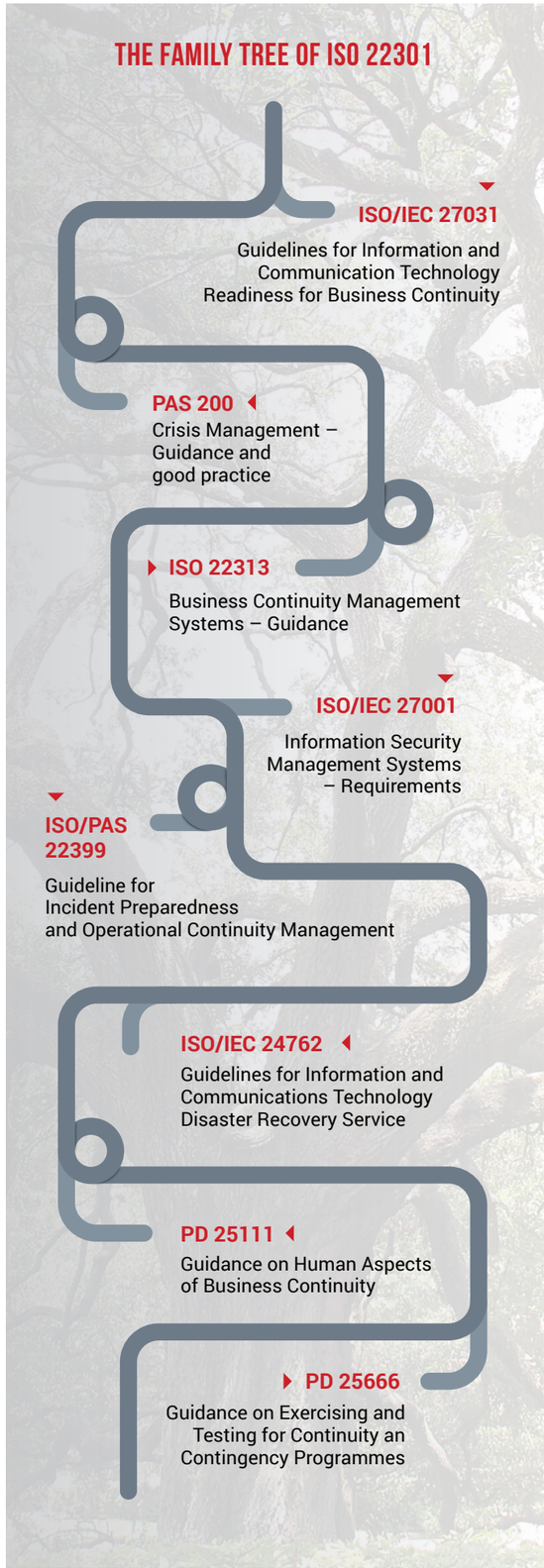
BC has been subject to significant changes, including influences and development in legislation and regulation. The developments and recent events have all played a key role in the on-going evolution of Business Continuity. ISO 22301, as an international standard, has been subject to modification since its initial draft version developed in 2010. The final version of the standard was released in 2012. This standard guides organizations in adapting to internal and external threats, and helps them in establishing an effective business strategy for building organizational resilience.

Managing and preparing a Business Continuity Plan is the key factor for organizations, not only to thrive in their respective industry but also to minimize their operating costs. Thus, it is imperative to have a Business Continuity Management System in place to ensure that the organization possesses the adequate tools to provide proper protection from the existing and new threats that it may face.

Why is important to regularly test your Business Continuity Plan?

By regularly testing your Business Continuity Plan (BCP), you ensure that you can effectively handle the events and control their results for minimal impact. The systematic testing of the management system helps you become familiar with your recovery scheme, personal responsibilities, as well as the expected length of a disaster.

A survey conducted by Harford Institute found that 59% of companies have a formal and documented continuity plan in place, however, only a third of these BC plans are regularly tested. Additionally, the survey results indicate that 33% of businesses have an informal undocumented BCP in place, while 8% of them have no plan at all. As a result, businesses that do not implement nor document a Business Continuity Plan will be subject to many fundamental severe consequences at many levels as they are unprepared for properly responding to the existing threats.



Why do you need ISO 22301?

ISO 22301 will protect your company by introducing proactive measures to keep the probabilities of risks occurring as low as possible, and implementing mitigation processes to manage the crisis in acceptable ways. This means that when incidents occur, measures are taken in a timely manner and the people involved are trained and authorized to take the necessary actions to effectively minimize the impact. We are aware that some incidents have a higher probability of occurrence, and planning for them in advance is rather impossible. However, ISO 22301 provides techniques which can ensure that your business is capable of mitigation, and as such, it can remain competitive. The following statistic portrays the importance of having the ISO 22301 implemented within the organization:

> "80% of businesses that do not have Business Continuity plans go out of business within 13 months of a major incident"
>
> *Business Continuity Institute*

What are the benefits of implementing ISO 22301 in your organization?

The implementation of ISO 22301 in your organization can have a significant impact on the future performance of your business. ISO 22301 not only helps you in prioritizing the threats that your company is exposed to, but it also helps you in:

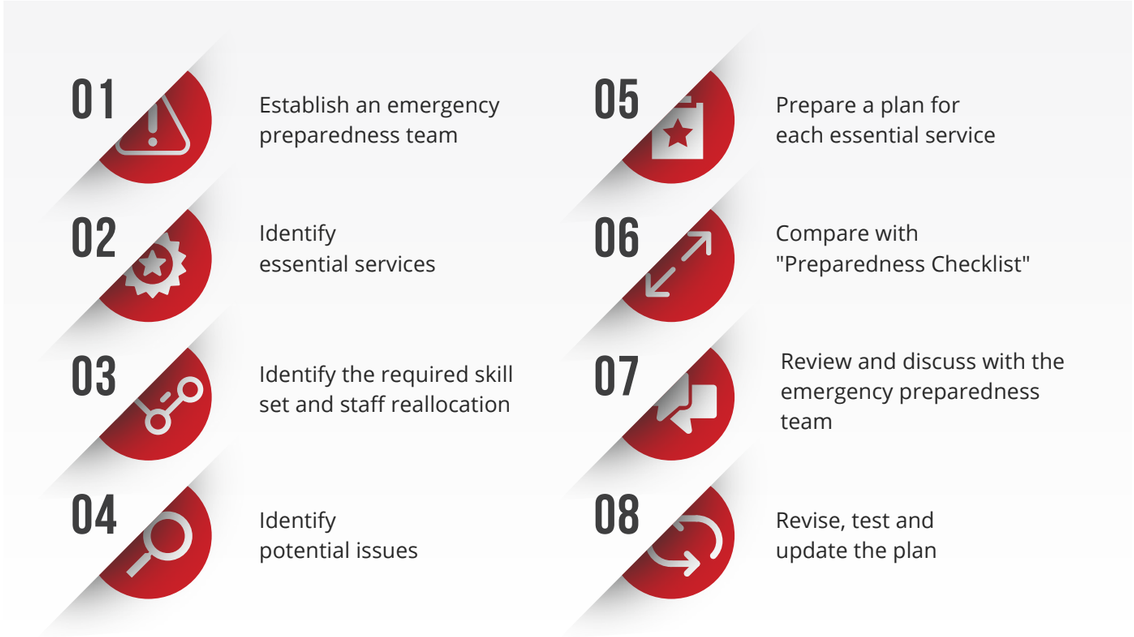
Saving money - Having a BCMS implemented in your organization means having a contingency plan that helps you maintain the market share in the event of a disaster. Such plan will provide your organization with the opportunity to continue your business profitability since the damage caused by these interruptions may have been greater if no measures were taken in advance.

Enhancing your brand reputation - Your commitment to providing excellent services, even in times of crises, will improve your brand image and thus enhance your reputation.

Gain competitive advantage - Adhering to the BCMS tools and framework, and having implemented a standard that is recognized worldwide, will increase the clients confidence in your organization.

Continuous improvement - Being subject to regular BCMS audits means that your organization is encouraged to systematically engage in activities that ensure continual improvement of its processes and activities.

8 Basic Steps for a Business Continuity Plan



What are the requirements of ISO 22301?

- Establish and maintain a sound Business Continuity Management structure that is supported by top management
- Understand the organization by identifying its' resources and critical activities
- Define the Business Continuity Strategies which are employed to meet the organization's objectives
- Create and implement a Business Continuity Management Response plan
- Have a documented structure and Response Plan to enable effective response and recovery from disruption
- Set a Business Continuity Management in the organization
- Test your organization's Business Continuity Plan
- Systematically review, plan and update the Business Continuity Plan
- Increase employees' awareness by properly communicating the BC Plan

There are numerous business continuity standards published by different certification bodies. The ISO/PAS 22399 (Societal security — Guideline for incident preparedness and operational continuity) was published in 2007, providing general elements and principles for incident preparedness and operational continuity of the organization. In 2010, a universally accepted international standard was introduced, and it was published later in 2012. The ISO 22301:2012 replaced the ISO/PAS 22399.

It is important to note that the ISO 22301:2012 was under periodic review in April 2017, and such review was completed in early September. Hence, the ISO will announce the official publication date of the standard and depict the changes that the committee has made.

WORLD STANDARDS DAY

14 OCTOBER

"Let's continue to build a sustainable and smarter future"

Standards Build Trust

The 2017 annual international celebration for World Standards Day falls on October 14.

Social interaction relies on common respect for fundamental sets of norms, concepts or meanings – international standards codify these norms to ensure that they are accessible to all. A product or service conforming to an international standard is imbued with a trusted symbol of quality, safety or compatibility. Standards speak to the diversity of our interconnected world, introducing uniformity at the interfaces where we need to be certain that we are speaking on the same terms.

During 2016, based on the ISO Survey of Management System Standard Certifications 2016, the accredited certification bodies worldwide have issued a total of 1,644,357 valid certificates for the 11 standards covered by the Survey. Compared to 2015, when the number of the issued certificates was 1,520,368, last year has shown an 8% increase, and the number is continuously growing.

As a global provider of training, examination, audit, and certification services, PECB offers its expertise on multiple fields, including but not limited to Information Security, IT, Business Continuity, Service Management, Quality Management Systems, Risk & Management, Health, Safety, and Environment.

PECB uses standards daily to ensure a high quality of products, certify organizations and their processes, and verify trade transactions. The services that PECB provides guarantee transparency on behalf of organizations and allow customers to trust that a service/ product will live up to an organization`s promise.

The Worlds Standards Cooperation (WSC), IEC, ISO, and PECB all celebrate World Standards Day to honor the collaborative efforts of the thousands of experts worldwide who dedicate their time and expertise to the development of international standards.

Click here to learn more about the benefits and advantages of standards

The Expert

YOU HAVE ALREADY IMPLEMENTED ISO 9001 IN YOUR COMPANY! HOW DO YOU ALIGN YOUR PROJECT TO YOUR QMS?

A research done by Basak Manders, a Quality Management research expert, found that ISO 9001 quality management standard has been implemented by more than one million organizations in 187 countries since its introduction in 1987. According to the research, ISO 9001 implementation ensures operational and market benefits in the majority of cases. The research results indicate that the benefits yielded by ISO 9001 differ based on the length of time since the organization was granted the certification, standard version, geographic location, industry sector, and company size. In addition, national differences, especially the level of economic development and national culture, influence the benefits derived from the ISO 9001 implementation. It was also found that not all the employees in a company use ISO 9001 in their daily work. Having a positive attitude towards ISO 9001, being aware of it, believing that ISO 9001 is useful and easy to implement, and feeling accountable for the application of ISO 9001 are the elements that build the foundation of a sustainable quality management system.

About the Author

Christopher Simon Moropa is the Managing Director of CSM Project Management Consultants. He has 10 years of experience in Strategic Management, Project Management and Project Management Office (PMO) deployment. Moreover, he is a skilled and experienced negotiator and business generation strategist. He was President of the Association of Programme Management in South Africa (APMSA), as well as a member of the PMI Chapter.

Inside an ISO 9001 Licensed Organization

One common perception of organizations is that once you implement the ISO 9001, you are deemed to comply with the quality management principles which are: (i) customer focus; (ii) leadership; (iii) engagement of people; (iv) process approach; (v) improvement; (vi) evidence-based decision making; and (vii) relationship management. The organization must establish the documentation of the organizational context, the list of all interested parties, determine the scope of the QMS, demonstrate leadership support and ensure that the QMS objectives are aligned to the company's strategy. Further, the organization should ensure systematic control of documented information, organization's operations, the development process and external suppliers by engaging in continual measurements and reporting activities. It is also important to consider the reformed structure of the ISO Management System which is applicable to all ISO types. The latter refers to the Integrated Management System- Common structure of ISO Standards. The structure provides for (1) objective of the management System, (2) policy of the management system, (3) leadership and commitment, (4) documented information, (5) internal audit, (6) continual improvement, and (7) management review. The main objective accordingly, is to facilitate the combined management of a normative framework for an organization.

The alignment of ISO 21500 with ISO 9001

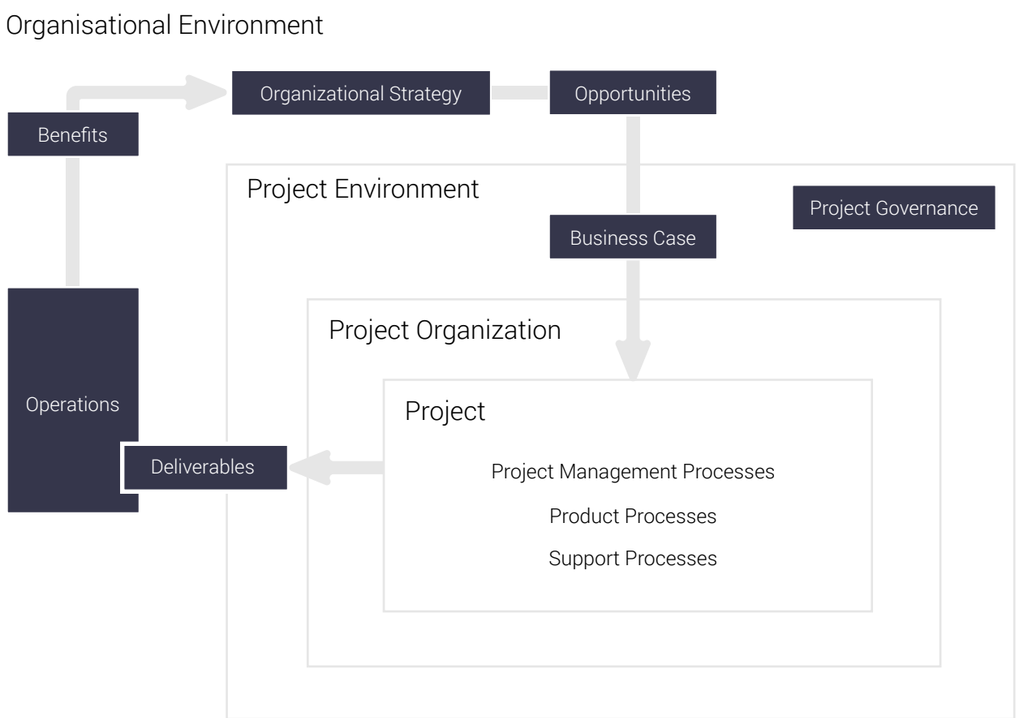
The ISO 9001 constraints identified in the introduction indicate that while ISO 9001 works when dealing with high level organizational concerns, there is a need for a management system that handles projects and integrates them to the organizational strategy. In 1997, ISO published the ISO 10006 which provides guidelines for Quality Management in Projects. However, according to Edward Moller, professor at the University of Island, the standard never gained the popularity of ISO 9000 series, nor of other standards such as the PMBOK guide or Prince 2. Henry Granroth, on his master thesis for Standardized project management methods, argues that it is “ISO 10006 – Guidelines for quality management in projects” and “ISO 21500 – Guidance on project management” that focus more on projects and project management. According to John Roose, ISO 21500 is familiar with international project management and covers PRINCE2, International Competence Baseline (ICB), and PMI, and it is also compatible with ISO/IEC 27001, ISO 55000, ISO 9001 and ISO 31000. This ISO family is compatible with project control mechanism, policy, business governance, PDCA cycle control mechanism, screening, awareness, and project and company continuity/ hygiene. These are only some of the strongest points of adapting ISO 21500 in combination with ISO/IEC 27001.

How to link projects with organizational objectives?

According to Brioso, the ISO 21500 provides detailed description of concepts and processes that are considered as good practices in project management. Projects are placed in the context of programmes and project portfolios. Brioso admits that this International Standard does not provide detailed guidance on the management of programmes and project portfolios. Accordingly, topics pertaining to general management are addressed only within the context of project management.

The figure provides an overview of project management concepts and their relationships. The organizational strategy identifies opportunities. The opportunities are then evaluated and documented. Selected opportunities are further developed in a business case or other similar document, and can result in one or more projects that provide deliverables. Those deliverables can be used to generate benefits, where such benefits can be the inputs to further developing the organizational strategy.

One ingredient for successful projects is the identification of project's stakeholders, the definition of their roles and responsibilities, and the determination of their involvement.

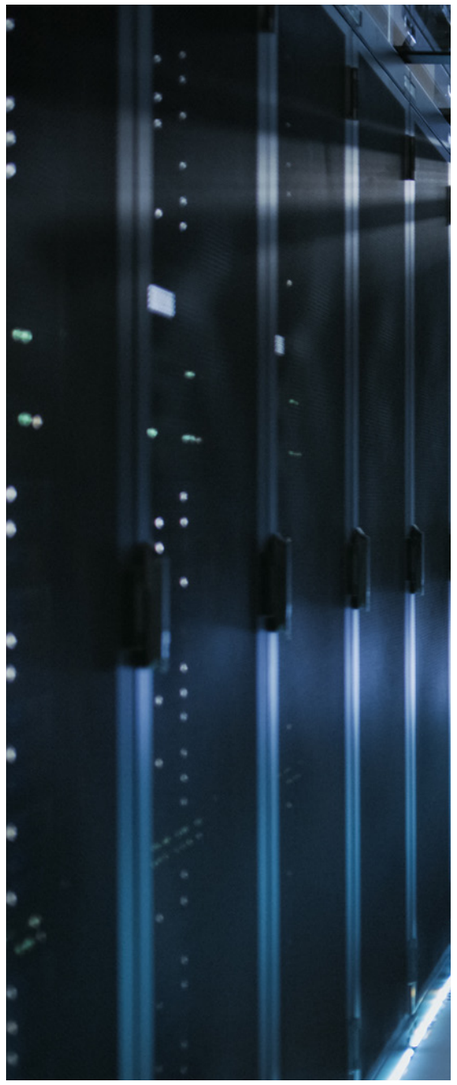


Project Management concepts in organization and other sponsor entities
Source: Lára Kristín Kristinsdóttr

"The first and foremost task in a programme is to identify its strategic purpose."

The balanced scorecard is a system employed for strategic planning. The critical success factors and key performance indicators, together with their relative priority, are identified based on the strategic themes chosen by the executive leadership. These strategies are developed and described based on the strategic intent of the executive leadership. Portfolio and programme managers adopt a flexible approach to organizational goals, and focus on doing the right things. The former aims to achieve predetermined outcomes with the least possible resources, while programme managers aim to utilize the best possible resources to achieve maximum organizational benefits of strategic importance.

Portfolio and programme managers play a facilitative role, concentrating on the strategic organizational objectives that are to be achieved. For optimal organizational performance, it is imperative that the programme structures of different portfolios operate in synergy, irrespective of the business model adopted by an organization.



INTERVIEW WITH NIKLAS HEDIN

CEO & Chief Architect at Centiro

Niklas founded Centiro in 1998 based on insights of the gaps in the market for Delivery Management that needed a new solution. He brings more than 20 years of experience of how to develop businesses using insights and hands-on-experience on supply chain and IT. He has led his company at the forefront of the industry, which has rendered Centiro several awards and status as a leading platform in Delivery Management. Niklas long experience as innovator and strategist catalyzes the conversation and inspires to get to the next level in business.

"Standards are components in a multi-faceted thought, aiming towards achieving higher goals than pure profit."

1: What is the best professional decision you have ever made?

Niklas: Wow, great question. I guess the best overall decision I have taken so far is to found Centiro based on the sentence "This company shall be the best place for employees and customers". It has taken me and my colleagues on the journey of our lives, around the world, providing insight on the challenges many different organizations face and how we can help them. It was a big decision for a tiny organization at the time, but I have stayed true to the sentence almost twenty years now, and we are still exploring our potential with great appetite and fun.

2: What is the worst professional decision you have made and what did you learn from it?

Niklas: I guess the worst kinds of decisions tend to be the ones I don't make, or make late. I have to let go of blame practices, as much as I am conscious of being controlling, and learned great benefits from a positive focus. I have also learned and trained over time to be more decisive, and know when to speed up and slow down.

> "I'm sensitive to when I create obstacles in my decision-making. More often than otherwise, you don't get wiser by over-analyzing Make a short and crisp analysis, and then go. Dare to make mistakes, learn, repeat. You'll succeed faster."

3: What are the three top values/ characteristics for success and why?

Niklas: Leadership in combination with their respective organization controls, at least 50% of the impact on the business value created by the organization. Which is why, culture to empower, organizational design to make it easier to achieve desired results, and strategy to drive focus as well as alignment between these elements are my top three. Or perhaps four.

4: Centiro is known for its work friendly culture and qualitative services. What were the challenges and benefits faced in order to create such culture?

Niklas: There is always a challenge when you challenge status quo and the perceived normal way of designing an organization and workplace. But what is normal anyway? As a leader, you need to carry daring patience with you and remind yourself that leadership is about listening, understanding, and two-way communication, to understand the difference between the state of now and the desired tomorrow, and to create excitement and positive tension so there is a desire to move together. Today, it is a well-known fact that our organization creates results above and beyond the expected. I believe there is a fear from leaders of letting go and a misconception that a soft focus and a human centric view blurs the boundaries of structures, processes and discipline. We have proved this to be plain wrong; a strong culture with high levels of trust and positive energy is your best companion if your desire is to achieve crisp results in process and value for customers as well as your own organization. I believe more and more organizations are waking up to this initially counterintuitive fact when the need for change is pressing more and more urgently on organizations.

5: How do you encourage creative thinking within your organization?

Niklas: Two important elements are to identify every individual as equally important as a potential contributor, and to allow for mistakes. My father taught me that a pecking hen achieves more than the sitting one. Once in a while, you pick up a bad seed, but the important part is to learn from mistakes and extract the positive value, and refrain from blaming and punishing. We also train the organization in various techniques such as design thinking, but it is really a leadership exercise in highlighting good examples that others wish to follow, and to structure for innovation. Unless you achieve what is called psychological safety and trust, colleagues are reluctant to bring good ideas forward - ideas are brittle in early stages and you don't want to see your baby get squashed by bad feedback. Understanding fears, desires, drives and personal profiles, and building a strong feedback culture with positive focus is central to our work on creativity.

6: What is the vision of your company?

Niklas: "Our purpose is to empower commerce for companies with winning aspirations, who seek to make a difference". This sentence is about the choice we have made to enable our customers to play at the top. It also reflects the implicit consequence that we have to both understand our customers really well to help them succeed, as well as having high ambitions and standards in our own organization.

> "Centiro stems from the latin word Sentire meaning "I sense, I understand." It's the very core pillar that underpins our curiosity and drive.

#7: How are standards helping you achieve this vision?

Niklas: As we work with world-class brands and customers, demands on quality and security are always very high. Organizing our management system according to standards has harmonized the discussion internally and externally about what we mean, and gives us a cycle for risk-management and continuous improvement. Standards make it easier for us to communicate. Before the certified standards, we still had high quality in our work, but we had to spend a lot of time to explain and communicate.

8: Centiro is certified against multiple standards* on security and personal data protection including ISO/IEC 27001 Information Security, ISO/IEC 27017 Cloud Security, ISO/IEC, 27018 Protection of Personally Identifiable Information, ISO/ IEC 27032 Cybersecurity, ISO 22301 Business Continuity, and the GDPR.

What benefits have these standards brought to your company?

Niklas: In a world challenged by increasing cyber-security threats, we have a greater readiness and awareness of the risk-landscape, and perhaps more importantly, how we can mitigate risks and react promptly. Also, putting us in a different league when speaking to customers who understand what these standards mean, it's much easier to prove we're serious about our craft, removing doubts on our relative small organizational size. It is also important to mention the pride we instill in colleagues who want to be associated by the highest levels of professionalism.

What challenges did your company face to implement such standards?

Niklas: As always, you need the company to operate, implement change and document all this simultaneously. Anyone who has tried knows this can drain energy and focus. But we quickly found a model on how to organize both processes, risk-framework and management system that mitigated the risk of standard-fatigue. My colleagues deserve kudos for the drive to finish, and moving well beyond the target. We also had a unique alignment from the board, through senior leadership all the way to the individual colleague, which I know is perhaps the toughest challenge in many organizations. We talked a lot about why this work was important to us, and created a shared vision to overcome the alignment risk.

 # 9: Centiro has successfully established a green workplace, green culture, and the use of efficient energy and transportation; overall you are an environmentally responsible company. What is the key role that standards have played in the achievement of this status?

Niklas: From board-level, we have issued a multi-pillar policy, defining our ambitions on operating a responsible and sustainable company in the society, for employees, customers, and partners. Culture and a strong operational foundation enables us to work to achieve these ambitions, and standards allow us to organize our process and communicate how we are doing. Our new office building is certified towards Swedish Environmental Building Gold, the highest attainable standard in Sweden. Standards help us reach higher, and our mindset is to go further. The energy reduction target in the building standard is 25% - we reach 80%. The toughest international standard declares a minimum 10% share of renewable energy – we reach 100%. In the end, it's about who we aspire to be as a company, our strategy and the tools we have chosen to reach company goals. Standards are components in a multi-faceted thought, aiming towards achieving higher goals than pure profit. Profit is just one result among others, easier to achieve if the other pieces fall into place, which may seem counter-intuitive to a lot of excel-driven decision makers.

 # 10: Among the standards that you have already implemented, which standards would you highly recommend to other organizations and why?

Niklas: It depends on your specific situation – for most organizations using IT, I would start with ISO 27001, alongside any other compliance standard such as GDPR, which is demanded by the law. If you have issues in the work-force, I would start to look at ISO 45001, which addresses good practices in the work environment. My recommendation is also to not stop at one, but consider a selection of standards that represent your ambitions as a company.

 # 11: Are you looking forward to the implementing other standards?

Niklas: The latest addition is our certification against Privacy Shield, which addresses information exchange between EU and US for our customers. With eight ISO certificates and the recent PECB award, I think we deserve to celebrate and think about your question for a minute before we move on. However, we are always open for future relevant standards implementation that will help us further development.

 # 12: The 14th of October marks the World Standards day, a very important day to the globalized world. Can you tell us what Centiro plans in the global market are? How can standards help to answer the market needs?

Niklas: We are building a global, leading company, and I foresee we can continue doing that for a while, considering the tremendous success that standards brought us. Thus, we have thought for our future plans and we signed up for the UN Global Compact program two years ago, and work to implement the ten principles of a sustainable organization. Our ambitions and plans, above our commercial goals, are to inspire the world around us to think differently, reach higher and do more. Our latest office building uses four sources of energy, 100% renewable, including our own solar production. Our plan is to continue to work with customers in relevant markets that have equally ambitious goals for making a difference alongside their commercial ambitions, and to have fun while we push the boundaries of ourselves and our customers.

#13: What advice would you give someone entering into a leadership position for the first time?

Niklas: My two cents circle around people - once you become a leader, you need to be authentic, and able to remove yourself as a factor from a conversation in order to be present and help others. It's so easy to put yourself in the way of helping others succeed, making yourself important. Prestige is a scary currency, best not dealt with, in my opinion. Understanding yourself, and being confident enough to remove yourself from focus is the first key. Second, I coach freshmen leaders to first listen to the organization, and learn something about the human beings you are asked to lead, above and beyond their professional skills. I believe in servant leadership – how can I help you? Third - if you can combine your insights of where people come from, their views and ambitions, with insights of where the organization needs to go, and your own focus on how to best encourage people to get there, you are on to something. The most common mistake I see early managers and leaders do is playing pretend – they step into a role because they think they have to. Relax, be yourself and lead with all three parts – heart, mind and backbone. People sniff if you are not authentic, and you risk diminishing your leadership effectiveness.


THE GOAL IN LIFE
IS NOT TO LIVE FOREVER.
THE GOAL IN LIFE
IS TO CREATE SOMETHING
THAT DOES.
JOHN C. MAXWELL

BECOMING A TRUE LEADER

A surprising truth on what motivates people

What is a real leader? Do you know a leader? Or are you one yourself? We all know that one person that keeps growing by pushing limits, personally, professionally and organizationally, that one person that influences us the most, and the one that we aspire to be like.

One thing we can all agree on, from our own or others' experiences, is that leadership is a process rather than a position. Anyone can be appointed for a position, but only a true leader, the one who forges his/her trail through impassable places, will be followed by others. Victor Lipman said;

> "People Leave Managers, Not Companies"

and as such, to drive the change that one desires, one should be able to influence others, because people will never follow your steps not because of your position, but because a leader paves the path for others to follow by being an example of dedication and commitment.

Influence might just be the surprising truth what motivates people

When it comes to motivation triggers, the reward and punishment have been considered as the main sources of motivation for centuries now.

However, as evidenced by the findings of M.I.T researchers, rewards do not work, at least not in the jobs where the creative thinking is a must for the effective completion of tasks. Nowadays, the complexity of jobs has increased, and therefore, a different approach is required when it comes to motivating the employees. Financial rewards drive motivation, but only in short terms. In the long term, money is the factor that kills the intrinsic motivation.

Have you ever wondered why people post in Wikipedia or personal blogs, where recognition is the reward – but no financial incentives will be received in the short-term? This is the motivation that sets the foundation for long-term success. Same applies to the founders of Google or Facebook.

There are other factors, apart from reward and punishment that drive motivation. The Daniel's Pink book highlights factors such as autonomy, mastery and purpose. And if you read John Maxwell book "The 5 levels of leadership", you will realize the imperative role of manager's influence for properly motivating employees.

As a result, a true leader triggers motivation by:

- Influencing the employees,
- Giving them autonomy,
- Inspiring them to grow, and
- Engaging the employees in meaningful tasks

Great leaders inspire action by communicating their values openly to the people they lead, and thus creating an atmosphere of certainty and trust. Provided that many people truly believe in the idea that every person has the potential to be successful, it takes a great leader to help others fulfill the purposes for which each was born. And only a true leader has the commitment, diligence and genuine desire to focus on others and help them grow.

While the average person is scrambling to reach a certain destination, or obtain more possessions that the next-door neighbor, leaders make people development their top priority, and extend their influence beyond the doors of their organization.

DEVELOPING EFFECTIVE DISASTER RECOVERY PROGRAMS

What can we learn from Hurricane Irma & Harvey?

The worst case scenarios

When planning for disasters, we tend to plan for "worst case" scenarios. Yet again, we are surprised when the "worst case" based plan that has been developed is superseded by an actual event that occurs. Hurricane Katrina taught us this lesson. Will we be going back to school and learn the same lessons from Hurricane Harvey and Hurricane Irma? And, Hurricane Jose is coming in on the heels of Irma. Let us also consider that Mexico just had an 8.1 magnitude earthquake – the biggest one in over a century.

Resilience and Disaster Recovery Considerations

On 11 September 2017, Information Management posted an article titled, "6 disaster recovery lessons organizations can learn from Harvey and Irma". The article actually lists 7. The article starts out by highlighting hurricane related information:

> "Just one week after Hurricane Harvey flooded the Houston area, Hurricane Irma emerged as an even more powerful Category 5 storm. The system made landfall this weekend and Florida Gov. Rick Scott declared a state of emergency for the entire state, urging residents to evacuate the storm's path. The two back-to-back powerful hurricanes have put the focus on disaster recovery strategies. Here is what organizations can do to serve their clients and their employees in the hours and days before disaster hits."

About the Author

Geary Sikich is a seasoned risk management professional who advises private and public sector executives in developing risk buffering strategies to protect their asset base. With a M.Ed. in Counseling and Guidance, Geary's focus is human capital: what people think, who they are, what they need and how they communicate. With over 25 years of experience in management consulting as a trusted advisor, crisis manager, senior executive and educator, Geary is well-versed in contingency planning, risk management, human resource development, "war gaming," as well as competitive intelligence, issues analysis, global strategy and identification of transparent vulnerabilities. As a well-known author, his books and articles are readily available on Amazon, Barnes & Noble etc.

Let's dissect the six (or is it 7?) disaster recovery lessons to see if they can be applied effectively:

1: Communicate the Disaster Recovery Plan

Comments:
The communication recommendation is a good one as it covers internal and external communication. However, the communication process should not end when communicating the disaster recovery plan to the clients. It would be advisable to communicate your plan to the local, state and if applicable federal government, suppliers, vendors ("Value Chain") in addition to clients and employees. Recognize that after an event, your business is most likely not a top priority for recovery by government responders. Your employees, regardless of how loyal they are, are going to be dealing with their own personal disasters and most probably will not be available for recovery efforts on your behalf. My final comment here is a question: "Why did you wait until a disaster was imminent to communicate the plan?"

2: Forward all call and e-mails to mobile phones

Comments:
Mobile phone communication will be most likely disrupted, just like other infrastructure. What about the battery life of your mobile device? No electricity means that you will not be able to charge the mobile phone's battery. In addition, the federal, state and local responders will have priority on mobile communications (see Presidential Executive Orders and federal guidelines on this issue). So, with cell towers out of service or seconded to the government, your ability to access and use mobile communications may be significantly degraded or nonexistent. Lesson learned from Hurricane Charlie – mobile communications were pretty much wiped out until providers (Version, etc.) could reestablish tower infrastructure. There are usually hurricane warnings which allow the individuals' temporary evacuation. Remember that the government has the power to commandeer all communications for national security purposes.

3: Form a Texting Chain

Comments:
See comments for # 2 above – as this is also applicable for this recommendation/lesson learned. It's all about the battery life!

4: Backup all Client Data

Comments:
Great idea. Why wait until now? Haven't you been doing this all along? The backup of client data should be a regular practice, not a disaster only practice. What about the other data that you own and process on daily basis? Employee data, financial data, "Value Chain" data, etc. In any event this data should be backed up and sent to secure location/storage outside the projected impacted areas. You really need to consider the security implications too. How susceptible is the data to being hacked (if electronic), stolen (if hardcopy) or otherwise compromised? Security, security, security!

5: Open the Office to Advisory Employees and Family Members

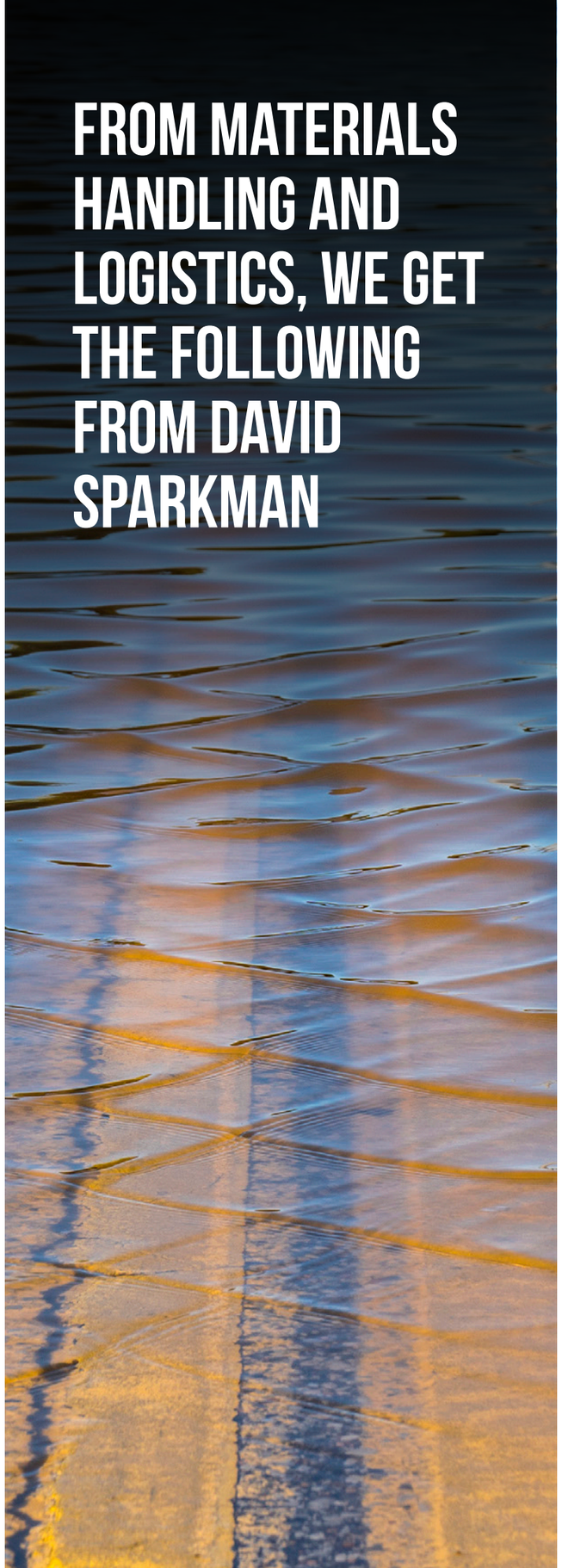
Comments:
Unless you have a bunker type facility, with cafeteria and plenty of stored supplies this may not be recommendable. Most modern offices are glass and steel. Regardless of how good your intentions are, glass and steel may not stand up to hurricane force winds and flying debris. Also, you may find yourself stranded and unable to evacuate after the event due to infrastructure disruption. The government may as well step in and under "eminent domain" take your supplies for the greater good of the community. Assess the risks and plan accordingly. You may be creating more of a problem than you think (what about legal considerations?).

6: Suggest Clients' employees had ID information available

Comments:
What about your employees? While I wholeheartedly embrace the general consideration of having ID available; one must ask the question: "to what end?". How will having ID available assist in recovery? Of course, having ID is highly recommended, as well as, key and critical personal information – insurance papers, bank information and other essential data. You need a secure means of storing that information so that if separated it cannot become a source of identity loss (due to identity theft). Ensuring that all people who may be impacted by the event have proper ID is critical. I would recommend a special ID for those who will be involved in recovery operations that take place after the initial response is completed. Medical information, banking information, social security and all your Human Resources department records need to be secured.

7: Inform Clients and Colleagues of Free Services

Comments:
Free services? Unless you are planning on providing essentials – food, water, shelter, etc. one would question the value of "free services". While some services, such as, transportation, telecommunications, waiving of bank fees, come readily to mind; in the aftermath of a disaster, people are most concerned about the basics – food, shelter, etc. Be careful what you offer too. You may become a magnet for further disruption of your enterprise. Can you imagine the amount of potential theft that may occur by opening your doors to a dislocated population? Also, if you are offering "free services" ask yourself, "for how long?", "to whom", etc. "Free services" may sound good on paper, but executing may be a completely different "ballgame". Be very, very careful about what you offer.



FROM MATERIALS HANDLING AND LOGISTICS, WE GET THE FOLLOWING FROM DAVID SPARKMAN

- Think before you act: If the work involves non-routine tasks, take the necessary time to conduct a Job Safety Analysis, determine the hazards and provide training and personal protective equipment (PPE).
- Emphasize "Situational Awareness": By stressing that supervisors and employees keep their eyes out for unforeseen, hidden and sometimes just plain weird hazards.
- Anticipate that disasters never follow the rules and plans: "Expect problems. Be paranoid," Howard Mavity (a lawyer with Fisher Phillips) advises. "In your planning, always engage in 'what-if' analysis. I recommend that larger companies create a 'What-if Committee' and periodically brainstorm. Consider it an expanded process hazard analysis applied to every aspect of your business."
- Stay alert for hazards posed by fatigue, hunger and dehydration: When exhausted, the first thing to go is your judgment. Keep hydrated and remember that skipping meals also can lower glucose levels, resulting in poor judgment and injuries.
- Fall protection is non-negotiable: Most people who are scrambling onto roofs to avoid the rising water don't know what fall protection means. "Only one error is necessary, and as in the case of trenching, excavation and confined space entry, one error often means a death," who "he" refers to.
- Generators and gas tools generate carbon monoxide: Be careful about using them inside a building or any other confined space.
- Follow the OSHA bloodborne pathogens standard: And recognize that rising waters will contain a soup of fecal matter, fuel, rotten food, chemicals and heavy metals, and other risks.

I would add to lessons learned and the above tips, that having cash on hand is a very good idea. As we have seen with Harvey and Irma, the electronic charge and payment systems (credit cards, automated banking, etc.) was disrupted due to the loss of infrastructure (electric generation) for some time. Hurricane conditions bring the necessity of using cash, and as such suddenly cash becomes "the king" once again. Additionally, personal protection should be a consideration.

You need to think and plan on three levels as depicted in “Resilience Framework” below:

Resilence Framework

Strategic	**Management Plan** Operational Support Management of image Stakeholder focused Restoration	**Consequence plans, Incident Support, Overall Management** Management Planning Operations Logistics / Communications Finance Administration Infrastructure	<< KEY FUNCTIONS
Operational	**Division, Business Unit, Regional Plan(s)** Support Tactical Management of effects Cascade prevention Recovery	**Continuity plans, Incident Management** Management Planning Operations Logistics / Communications Finance Administration Infrastructure	<< KEY FUNCTIONS
Tactical	**Facility, Property Plan(s)** Response, Mitigation Event focused	**Emergency plans, Incident Response** Management Planning Operations Logistics / Communications Finance Administration Infrastructure	<< KEY FUNCTIONS

The strategic level should look at how your organization will achieve its goals and objectives (strategic plan) now that you are operating in discontinuity. The Operational level should be focused on preventing cascade effects from the event, while the tactical level should be focused on response actions for the affected elements.

Conclusion

Traditional concepts such as Incident Command, National Incident Management System, etc. are subject to constant modifications and adjustments, as they may not be as effective in dealing with the risk realities faced today. Threat dynamics are changing, resulting in more uncertainty not less; therefore, this requires a planning approach that integrates the tactical, operational and strategic planning, combining continuity, emergency, crisis, disaster and contingency planning into an integrated process.

TRAINER INTERVIEW WITH JACOB MCLEAN

Managing Director
at Kaizen Training & Management Consultants Limited

#1: What teaching and learning strategies do you use to differentiate a curriculum?

Jacob: A curriculum includes context, what is learned and what is taught; the delivery method, which is the teaching-learning method; forms of assessment such as course tests or examination; resources utilized in supporting the teaching process.

To be effective, a trainer needs to have a repertoire of teaching and learning strategies to differentiate a curriculum. I endeavor to have a command of the laws of learning, such as:

- The law of exercise: Things most often repeated are best remembered
- The law of effect: Learning is strengthened when accompanied by a pleasant or satisfying feeling and weakened when associated with an unpleasant feeling
- The law of readiness: A person learns best when they are ready to learn, and will not learn much if they see no reason for learning

Fortified with knowledge of how individuals learn, I use various strategies to achieve the desired outcome, for example:

- Lecture
- Guided discussions as the facilitator
- Exercises
- Role play
- Participant discovery

Of absolute importance is the mastery of the curriculum content being taught by the trainer, which includes possession of the requisite knowledge and experience. Equally important is the ability to differentiate between learners, their learning styles and preferences. Individuals differ, therefore, a flexible approach is necessary, as well as the commitment to ensure that no one is left behind or feels disconnected, discouraged or disenchanted.

Having a toolkit ready and the willingness to be flexible when using it, is a key requirement to achieve excellence. Since training programmes differ, it is vitally necessary to be able to match the approach based on each course. Often the situation dictates which tools from the kit are applicable. If one has a predetermined notion and is unwilling to be pragmatic, participants will end up being dissatisfied, the organization will lose its investment, and ultimately it will reflect poorly on the developer of the training materials.

#2: What do you think are the most important attributes of a good trainer?

Jacob: The most important attributes of a trainer are competence, the possession of knowledge, skills and appropriate behaviours; passion, enthusiasm and love of imparting knowledge; empathy, meaning the ability to understand participants' issues; and leadership, meaning the ability to effectively influence learners to work towards achieving the goals of the training session.

Knowledge of the subject matter fosters confidence in the trainer and gains the respect of participants from the outset. It enables the trainer to field questions easily and therefore enhances the learning process. Appropriate behaviours include respect for each participant and the ability to create a sense of emotional safety, so that participants feel accepted and valued, regardless of differences. In other words, being able to deal with diversity.

> Passion is contagious. It is necessary that the trainer displays enthusiasm and makes the subject exciting, even if it has the potential to be boring. Although, participants are paying for the course, it is the responsibility of the trainer to create a motivating atmosphere.

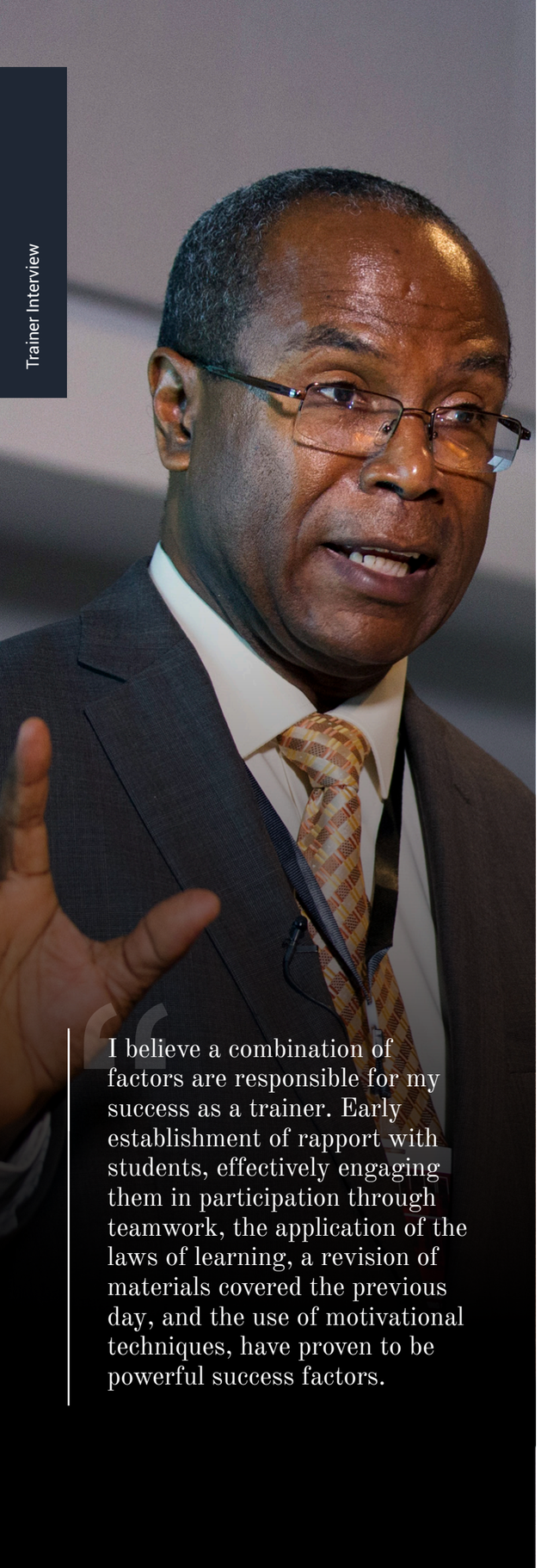
Empathy undoubtedly fosters the learning process. The effective trainer seeks to find common ground with participants from the outset. Throughout the session, with roving and watchful eyes, the trainer must spot participants who may not understand, appear to be shy of asking questions or who have that puzzled look that will simply not go away. Essentially this attribute will ensure that no one is left behind.

The trainer is a leader; as such he/she is required to influence learners with multiple goals, sometimes not necessarily aligned with the goals of the training session. Getting buy-in, as early as possible, in the training is of paramount importance. The trainer needs to cultivate leadership styles that deliver results. To do this, it is recommended that different styles be practiced so that if any are needed they can be utilized. This is referred to as the contingency or situational leadership model since it calls for the best-fit approach depending on the situation.

#3: What would you do to help students understand the topic better?

Jacob: The understanding of the students' goals and expectations for the training is indispensable. Having established these, it is vital to know what the student already knows. Having knowledge of human behaviours and individual differences give the advantage of tailoring the right methodology to facilitate learning. There are different instructional tools, the use of appropriate language, illustrations, experience sharing, lecturing, etc.

Pitching the material being taught at a level that the students can readily understand is vital. This is done through an audience analysis, which is best to be done early in the engagement. The ice-breaking period where the students give their expectations and goals for the training, is a good point to listen



> I believe a combination of factors are responsible for my success as a trainer. Early establishment of rapport with students, effectively engaging them in participation through teamwork, the application of the laws of learning, a revision of materials covered the previous day, and the use of motivational techniques, have proven to be powerful success factors.

and gain insights by noting their language and prior knowledge. The use of questioning and illustrations, creation of word pictures, is also effective in fostering understanding.

#4: Give us an example of a successful training program you taught. What made it so successful?

Jacob: I have had tremendous success in conducting various PECB training programs. I have hosted several ISO 9001 Lead Auditor and ISO 31000 Lead Risk Manager sessions in which all participants were successful. Most recently, a class of 7 participants in the ISO 22000 Lead Implementer, all but one individual passed the examination. This participant conceded that he was hampered by his lack of industrial experience and inability to put the material in context.

Getting students to develop the can-do attitude by driving out fear of failure has worked remarkably well. Often students are intimidated by the sheer volume of materials to be covered. Reassuring them of their ability to master the materials through diligent study, participation in exercises, speaking up in classes, have all worked to build confidence. In addition, reserving time to "walk-through" the training manual, emphasizing the body of knowledge specified for the examination has been a great way to build confidence. Getting students to read the notes to slides aloud not only facilitates participation, but keeps them engaged and enables memory.

Of great value is the organization of the PECB training manuals. Invariably they are student-friendly and designed to pace the learner, as well as, force the application of key teaching and learning strategies.

#5: Not every student learns at the same rate or at the same level. How would you ensure everyone in your program develops their skills?

Jacob: An effective trainer caters to all participants; no one must be left behind. Each participant pays and, therefore, deserves to receive value and to be shown respect regardless of diversity in the knowledge base or other factors.

Breakout groups, with the individual differences in mind, ensure that stronger individuals are mixed with those who are less capable, which helps those with less knowledge to develop.

Therefore, during these sessions trainers should: ask questions geared at the level of the individuals which encourages them to speak up confidently and further participate; be open to questioning, regardless of whether they make sense; walk about during the breakout sessions and encourage everyone to participate. These are all techniques that work effectively. Another key strategy is to be open to individuals who may be struggling with concepts and need individual consultation. Encouraging them to speak privately during break periods demonstrates commitment to customers (the learners), and provides a forum for resolution of thorny issues.

#6: There are a variety of ways trainers, as we have seen, can stimulate students to participate in classroom activities. How do you engage students in a training course?

Jacob: I typically emphasize the benefits of the course and the value of certification as a key motivator, the old "what's in it for me" concept. This is an easy sell, given the global trends in the value of certification versus qualifications in certain disciplines. I normally encourage participation in the session and get the class to agree to it as a ground rule. I build on that by introducing the concept of synergy, indicating that when participants share their knowledge, they grow and help others to grow.

Additionally, I stress on the cost of the course, pointing out the fact that their employer is investing a significant sum in having them in a class for 5 days, therefore, it is incumbent for them to make the most of the course so that they can show a return on investment for their sponsor.

#7: What do you consider to be the key criteria for a training course to be effective?

Jacob: The key criteria for a training course to be effective include:

- Relevance and marketability of the course
- Competence of the trainer
- Preparedness or readiness of the participants
- Teaching and learning strategies (the curriculum)
- Opportunity for application of knowledge gained

#8: What advice would you give to new trainers in enhancing their training dynamics?

Jacob:

- Keep learning; most persons would rather drink from a flowing stream than a stagnant pool
- Be passionate about what you do; enthusiasm is contagious
- Gain mastery of the body of knowledge, but also get experience; most participants want illustrations based on the trainer's experience
- Be confident; if you don't feel it, fake it. Your audience won't know the difference and soon you will become natural at being confident and this will inspire your trainees
- Engage, engage, engage; you are not there just to take them through the training materials, but to facilitate a great and memorable learning experience.

COMBINING BUSINESS WITH PLEASURE IN TANZANIA

by Rinske Geerlings

Tanzania is one of the most diverse places I have ever been to on this planet. The Indian Ocean in the east, Lake Victoria in the west, Kilimanjaro Mountain in the north, a range of world famous national parks across the entire country and the colourful people to complete the picture. After having completed at least 20 trips to East Africa over the past 8 years, every time there is something new I discover.

Work ethic and business relations

I would describe Tanzanians as super friendly, approachable and on their way to having a modern business environment. Whilst during my first trips to Africa, I noticed a range of opportunities to provide assistance (e.g. Risk Management, Business Continuity and Information Security process implementations), and I now see a lot of ISO standards and other best practices being commonly applied. Certain skills like mediation, negotiation and decision-making, I would actually describe as far more advanced than in most other global regions. I certainly have learned at least as much as what I have contributed to Tanzania!

The right taste of Tanzania

When in Tanzania, I would highly suggest to save room for authentic Tanzanian food.

With a fixed menu, the Tea House restaurant gives you the opportunity to taste the most delicious traditional foods and drinks full of flavour and spice, while enjoying an amazing aura and fantastic view.

It is a little bit more expensive than the others, but this restaurant is not only about the food or drinks; it is the location that makes it unique. An old African house transformed into a hotel with the restaurant on the top floor, where you can enjoy the gorgeous view over Stone Town and the Indian Ocean, especially into the sunset hours. While serving, the staff shares interesting stories about the Tanzanian culture and tradition, which gives you the feeling like the history of the town is being brought alive. To make the experience even more booming and magical, musicians from Dhow Country Music Academy play during the dinner, unquestionably bringing a sparkle to the rest of the evening. It is good to know that there are only twelve tables in the restaurant, therefore, dinner is by reservation only.

One of the highlights I've experienced when staying in Dar es Salaam include Staying at the Slipway Hotel, a very relaxed place with views of the bay. The hotel has a great relaxed vibe, nice ocean view rooms, a range of local handicraft stalls, and a number of waterfront bars and restaurants. My favourite sunset restaurant in the hotel area is Thai Kani. Enjoy their fabulous cocktails and grilled tuna satay!

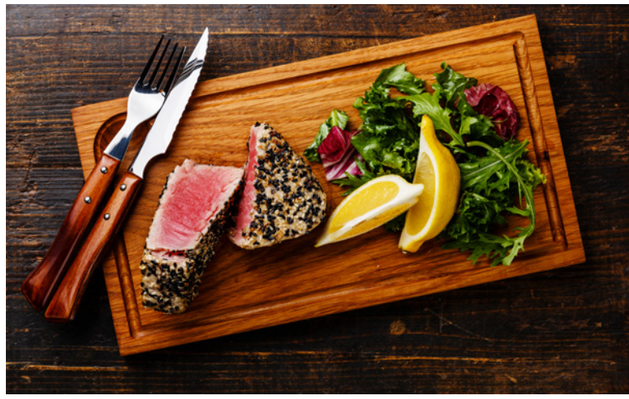
Serena Dar es Salaam is also an excellent hotel if you want to be more close to the hustle and bustle. The nearby rooftop bar 'High Spirit' is fun for sundowners. On Friday night I recommend the live African band at Trinity in Oyster Bay.

If you want to head out to the bush, be sure to head out to Saadani National Park where the game park meets the ocean. Stay at Kisampa (3.5 hours north of Dar es Salaam) for a night under the star lit sky and the next night book in at Simply Saadani lodge. A magical experience!

It is true that Tanzania is a country of amazing beauty & unique wonders, and that is why it is a regular destination for many travellers. Also, it is one of the highly chosen volunteering destinations.

The country has a fascinating number of wildlife convergence and lots of thrilling activities to do, which is a known fact amongst many.

I highly recommend Tanzania as a place for holidaying and working, and don't hesitate to reach out for any tips for your next safari!



About the Author

Ms Rinske Geerlings is an internationally known, award winning consultant, speaker and certified trainer in Business Continuity, IT Management, Disaster Recovery, Security and Risk Management with 20 year of global experience.

MANAGEMENT & CERTIFICATION SYSTEMS

IN SMALL AND MEDIUM ENTERPRISES (SME) OF MOROCCO

Regardless of size, location or industry, businesses today face growing demands for profitability, operational efficiency, quality, innovation, and technology. In order to turn these pressures or challenges into a competitive advantage, companies need to develop an efficient and sound management tailored to the business processes and implement them systematically to maintain and constantly improve the overall performance.

Researchers from Harvard University have indicated that businesses which adopt management best practices gain substantial benefits:

> 75% of the businesses have improved their customer service
>
> 77% of the businesses have boosted their performance
>
> 74% of the businesses have acquired new customers and retained existing clients
>
> 44% of the businesses have achieved cost savings”

About the Author

Mohammed CHANAOUI is the Managing Director of North & West Africa at World Leader in LEAN Six Sigma Industry Inc., and General Manager & Founder of KANSAI International Co., Ltd who holds a Lean Six Sigma Black Belt and Senior Project Manager PRINCE 2.

A latest research on this topic published in 2017 by Harvard Business Review has underscored these findings by identifying faster sales growth, increased employment and fewer workplace injuries in companies that are applying sound management practices.

Moreover, the organization's level of complexity may depend on each company’s specific context. For some enterprises, especially SMEs, it may simply mean having strong leadership from the business owner, providing a clear definition of what is expected from each individual employee and how they contribute to the organization’s overall corporate performance.

The complex businesses operating, for example, in highly regulated sectors, may need extensive controls over the processes in order to meet the requirements of the market, the social and legal obligations and their organizational objectives.

So, why organizations are so keen to obtain management system certification?

In order to answer this question, let`s look at the ISO Model for Management System Standards.

The ISO Model: agreed by experts

The ISO Management System Standards (MSS) help organizations to improve their performance by specifying repeatable activities that organizations consciously implement to achieve their goals and objectives, and to create an organizational culture that reflexively engages in a continuous cycle of self-evaluation, correction and improvement of operations and processes by increasing employee awareness and management leadership and commitment.

As globalization becomes the trend, the market is becoming more competitive. Moroccan SMEs are striving to position themselves in the local market. In 2016, according to a Market Research led by Mr. Abdellah El Fergui, the President of the Moroccan Confederation of Small and Medium Enterprises, there were more than 3 000 VSE/SME companies who have faced bankruptcy and were doomed to fail mainly due to the lack of sound management practices!

Only a few Moroccan SMEs can be considered a success story benchmarking from the global standards. By being active listeners to market trends, these organizations have managed to effectively respond to their customer needs.

So, why the majority of Moroccan SMEs are struggling to adapt and adopt management best practices?

Every enterprise has some basic challenges that threaten its overall business success:

- Adhere and comply with customer requirements and government regulations and standards;
- Protect the organization through embedding quality and instituting best practices;
- Grow the organization, extending the customer reach and satisfaction, thereby increasing revenue and profitability.

Only a few Moroccan business managers acknowledge the importance of customer service. As social media is dominating individuals' lives, Moroccan customers are being very well informed, and they are using this information as a critical criterion to make their purchase decisions.

Many so called 'entrepreneurs' start a business with neither a solid business model nor a venture design thinking, lacking clear cut vision and sound strategy. Most of the time, they only copy and paste existing business ideas, lacking passion and only dreaming about getting rich.

These entrepreneurs are driven by greed and only a few of them truly believe that their business serves a purpose, exists to meet a real business need and satisfies existing or potential customers. The primary goal of any business should be utmost customer satisfaction. Making money will be the result of visionary leadership and sound management practices within a company.

An effective Lean marketing strategy will place good customer service as a top priority which will increase the number of loyal customers and their willingness to repeat the buying experience. A crucial success factor is also brand building as it enhances the reputation of the company in customers' minds.

Many Moroccan SMEs are lacking sufficient knowledge on what competitors are offering. Before committing to offer even better products and services to their own customers, SMEs should develop their own Business Intelligence system and be aware of what their competitors do. For this reason, SMEs must always outlearn and be one step ahead from competition, or they'll find themselves out of the game. Morocco is no exception to the rule. Customers today have more choices than ever and can quickly and easily move on to other vendors.

According to the Entrepreneur Middle East magazine, the Moroccan SMEs are in short of vision translated to long-term strategy. Although nobody can predict tomorrow's trends, keeping your ear to the ground will give you insights as to what the market will expect. The strategists often say:

> "You cannot drive a boat by only looking at the next wave, so you have to know where you're heading,otherwise, you will simply end up where the winds take you, regardless of whether that is the intended destination"

So here comes the importance of the implementation of a sound management system

A sound management system is the way in which an organization manages the inter-related parts or elements of its business/organizational system in order to achieve its corporate objectives. These objectives can relate to a number of different areas, including visionary leadership combined with ethical and social corporate responsibility, clear-cut strategy, product development, quality customer service, operational efficiency, environmental performance, and health and safety in the workplace.

The benefits of an effective management system to an organization include:

- More efficient use of resources and improved financial performance
- Improved risk management and protection of people and environment
- Increased capability to deliver consistent and improved services and products, thereby increasing value to customers and all other

An effective implementation of the Management System Standards allows organizations to meet business objectives by infusing best practices and validating, through certification, that they are properly established in the company. The Management System Standards are the result of consensus among international experts with expertise in global management, leadership strategies, and efficient and effective processes and practices.

The top management of companies is increasingly investing on management system certifications, recognizing this as a critical success factor for their businesses. In today's business world, a management system certification proves management's commitment to help the organization improve quality, safety, operational efficiency, minimize risk, and maximize the values of their assets.

Take a smart step, get certified and save your business!

Find PECB partners in Morocco by ***clicking here!***

ISO 37001 – CLAUSE 8.10: INVESTIGATING AND DEALING WITH BRIBERY

As required by the Anti-Bribery Management System (ABMS) standard, investigating and dealing with bribery is a management responsibility which has a major impact on the credibility of senior management and the ABMS.

Based on our years of professional experience in conducting internal investigations, this article proposes a framework for managers faced with the decision of initiating and managing an internal investigation.

SERGE BARBEAU
Senior Advisor and Project Director
at Gestion Jean Bourdeau Inc.
Canada

Co-Authored

JEAN BOURDEAU
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Is the investigation necessary?

First, the senior management must determine whether an investigation is necessary. An internal investigation should generally be conducted when actual or credible allegations of bribery or violations to the ABMS are reported, detected or reasonably suspected. All complaints should be taken seriously, but there are circumstances when a full internal investigation is not warranted and a management review may be a better option.

In all instances, we strongly suggest conducting an initial assessment with the support of appropriate in-house or external counsel. The purpose of such an assessment is to gather information, assess the credibility of the source of the allegations, and determine whether the evidence is first hand or hearsay, along with the level of detail provided in the allegation.

Following the initial assessment, if doubt remains, remember that an internal investigation conducted in a professional manner can benefit the organization in many ways:

- Determine and understand all the facts and the potential legal impact;
- Assess the efficiency of management systems and controls;
- Prevent further violations;
- Demonstrate strong leadership;
- Minimize disruptive impact on the business and employee morale;
- Promote the anti-bribery culture in the organization.

On the other hand, failure to investigate credible evidence of violation could expose senior management and the organization to allegations of cover-up and wrongdoing, which may result in negative press, followed by the suspension or loss of the organization's accreditation, or worse, criminal charges or civil liability.

Who, when and how?

The next important step requiring decisions is planning the internal investigation.

- Should outside counsel be part of the investigation team?
- Who will conduct the investigation?
- What will be the scope of the investigation?
- What is the timetable?

These are a few of the questions that must be answered in the planning phase of the internal investigation. Based on our professional experience, here are some thoughts on these subjects.

If the organization has internal counsel, it is better to have someone from the legal department become part of the investigating team. If the organization is not large enough to have a legal department, we feel it's best to bring in outside counsel. In doing so, it is likely that the investigation will be protected by the attorney-client privilege. Although senior management has the authority to waive the said privilege, it may not have all the necessary information to make such a decision until the end of the investigation. It is essential that the investigation team maintains such a privilege, otherwise sensitive information may end up in the wrong hands.

Staffing the investigative team is a critical issue. As stated in clause 8.10, "the investigation shall be carried out by, and reported to, personnel who are not part of the role or function being investigated."

In a medium or small size organization, this requirement may be very difficult to meet. The only option left is to staff the investigative team with third party investigators.

Expertise and experience in investigating bribery should be critical criteria in the choice of investigators. There are many security firms that offer investigative services. Unfortunately, few have the required expertise and professional experience to conduct bribery investigations.

It is crucial to choose the proper resources for this type of investigation. Don't hesitate to do a due diligence on the investigation firm and the investigators. The risks of bungling a bribery investigation are important and if it occurs, you will have to manage the resulting negative outcome.

Outside counsel and the investigators should be consulted in determining the scope of the investigation. Investigating bribery is not a "fishing expedition"! Depending on the nature of the allegations an internal investigation may consume tremendous resources, at great cost to the organization. Determining the appropriate scope will help save time, money, and prevent unwanted negative exposure.

The timetable of the investigation must be adapted to the situation. Again, depending on the nature of the allegations, there may be some urgency to stop an ongoing violation. In such a case, immediate steps will be taken by the investigative team to collect and retain critical information and put a stop to continuing misconduct.

Each investigation is unique in some way. Although there are varying levels of complexity and time constraints, investigations must be conducted promptly to:

- Identify the innocent employees as soon as possible
- Take corrective actions sooner than later
- Minimize the negative impact on employee morale
- Minimize the negative impact on operations
- Demonstrate strong leadership
- Reinforce credibility of the ABMS

Follow-up

Senior management needs to be kept informed about the progress of the investigation. From our experience, top management is sometimes reluctant to be continuously informed of the investigation's progress because it may be perceived as an intrusion into the investigation process.

Regular updates on the progress of the investigation is not an intrusion in the investigation itself. As mentioned previously, an internal investigation consumes tremendous resources, at a great cost to the organization. Senior management or the compliance function of the organization must be informed on the investigation's progress, without being made privy to confidential information directly related to the content of the ongoing investigation.

Senior management must also be kept informed about the timetable of the investigation to plan the resulting course of actions.

We strongly recommend requiring a written report at the end of the investigation. The report should include:

- The nature of the allegations that was brought to the attention of top management
- A summary of the facts gathered during the investigation
- A chronology of events
- A list of people interviewed
- A list of documents reviewed
- The conclusion reached on the key issues
- What organizational guidelines or procedures apply to the situation
- Whether a breakdown in the internal controls of the organization occurred
- Any other relevant information or fact deemed useful for top management

We also recommend that the report does not contain recommendations. We believe this part should be outside the scope of the investigation. Although it is a good practice for senior management or the conformity function to meet with the investigators to have their thoughts on the subject, in the end the decision to discipline, terminate or withdraw from a partnership is solely a management decision.

THE ANTI-BRIBERY PECB INSIGHTS CONFERENCE

PALAIS DES CONGRÈS DE MONTRÉAL
CANADA

13-14 NOVEMBER 2017

100% DISCOUNT

To contribute in the fight against corruption, and raise awareness on the damages caused by it, PECB is offering a 100% discount to everyone who registers for the Anti-Bribery conference before October 31, 2017.

Register Here

Knowledge regarding bribery rules, regulations, actions to be taken, and benefits of embracing transparency has never been more critical. This is why PECB is very pleased to announce the second PECB Insights Conference, which is specialized on Anti-Bribery. The conference tends to deliver an insightful program packed with informative sessions delivered from a range of experts.

As a unique knowledge sharing experience, PECB Insights Conference is organized in three different tracks, including:

Anti-Bribery in Politics | Anti-Bribery in Corporations | Investigation

The Anti-Bribery conference will feature worldwide speakers who have a wealth of experience across bribery, corruption, education, law enforcement and private investigation. They all have a common dedication and commitment to trigger discussion on some of the most trending and concerning topics, while using their extensive expertise to provide potential solutions, and/or recommendations on how to address them.

During the exclusive conference hosted by PECB, the attendees will have a great opportunity to attend the PECB ISO 37001 Introduction course. Moreover, learn from the best thought leaders, increase their network, and collaborate through round table discussion in a professional environment.

The audience of the Anti-Bribery Conference will consist of entrepreneurs and professionals from the technical, operational, business, policy-making and internet communities, as well as lawyers, and compliance professionals.

The Anti-Bribery PECB Insights Conference will make a lasting difference in the Anti-Bribery perspective.

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MEET THE KEYNOTE SPEAKER

THE MAN WHO LIVED TO TELL THE TALE

Joe Pistone

We invite you to join us in one room with the infiltrated FBI agent who was once known by the New York Mafia as “the jewel thief Donnie Brasco”.

In 1974 Pistone was transferred to New York, the place where his journey began. He was chosen to lead an important, but dangerous undercover mission. He had to infiltrate the Italian mafia that had occupied New York City at the time.

With first-hand knowledge, he has been a successful undercover mob for six years. Pistone did a masterful acting job, he perfectionated the mafia’s system, he knew their secret codes, rules and their secret language. The insight and aptitude that this mission brought to the FBI, led to more than 100 federal convictions.

Pistone is the author of his 1988 book Donnie Brasco: “My Undercover Life in the Mafia” where he revealed his undercover life and experience, where the information unveiled in this book can arm your institution with the necessary knowledge to be protected against crime. The book was the basis for the critically acclaimed 1997 film Donnie Brasco, starring Johnny Depp as Pistone and Al Pacino as "Lefty" Ruggiero.

His real life experience, takes us to the heart of crime, money laundering and secrets of the most dangerous mobs of the 70’s.

Nowadays, Pistone writes, lectures and teaches Undercover and Organized Crime in many countries.

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