



# BCP - Ready for the Unexpected (COVID-19)

**How KPMG can support and work together with you?**

Advisory Services

# COVID-19 and how it impacts your business?

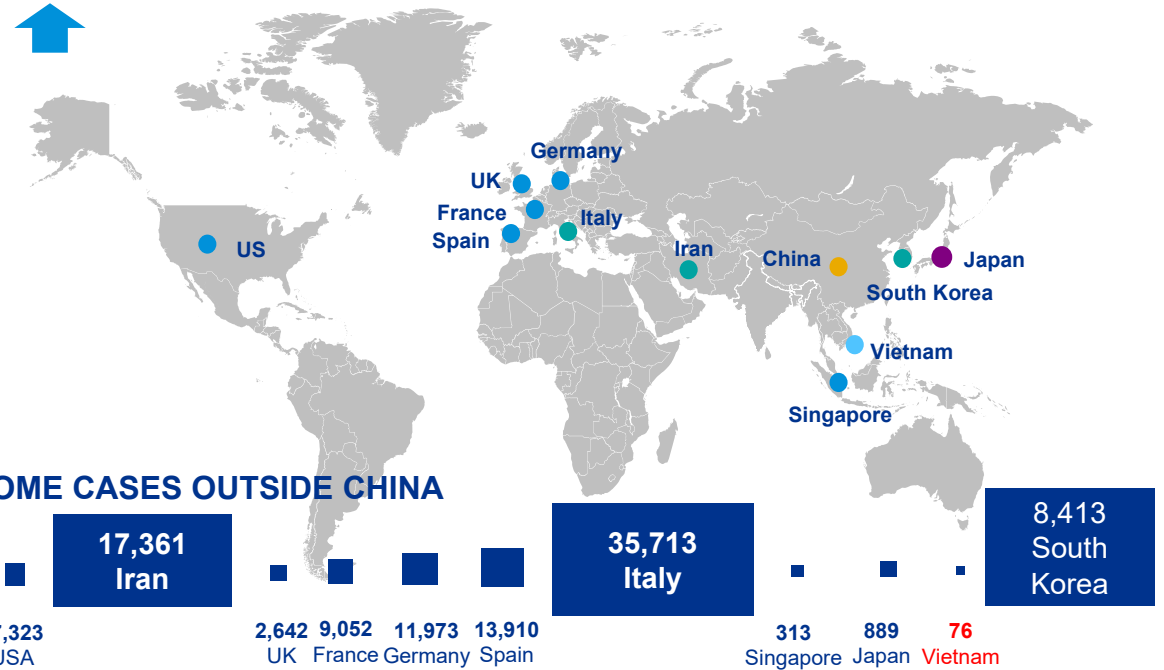
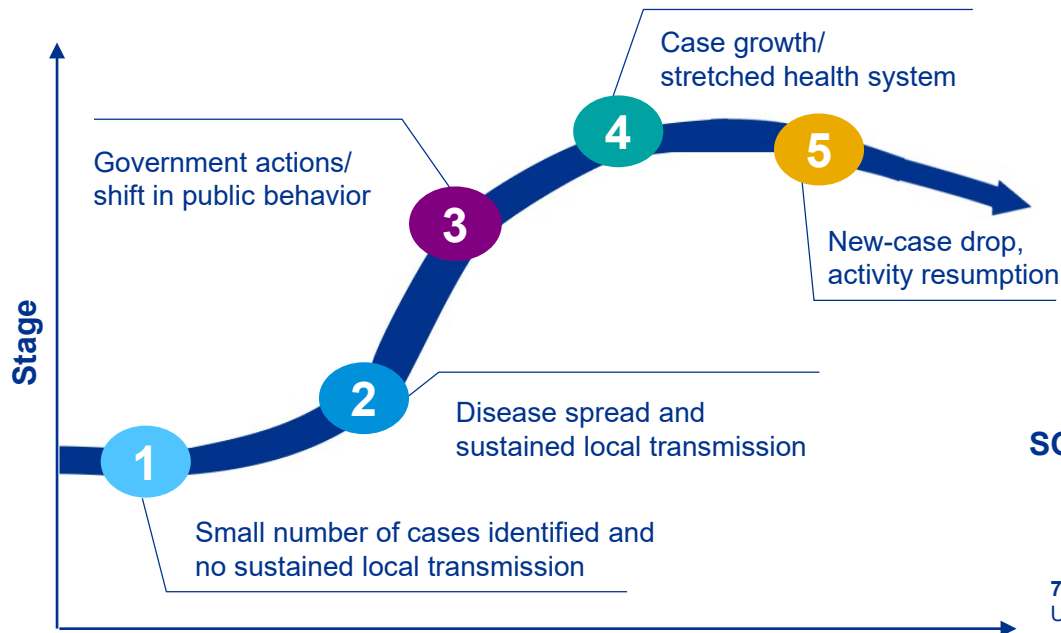
## Impact to businesses

- Employees' interruption
- Client service interruption
- Supply chain interruption
- Revenue impact
- Critical process interruption
- Resource unavailability
- Client facing difficulties
- Worker shortage

## Impact to society & economy

- Disease infection
- Spreading/reproduction
- Economy slowdown
- Labour disruption
- Consumer behavior change
- People's lives/Fatality
- Travel restriction/ban
- Decreasing consumer spending
- Worker shortage

Source: corona.kompa.ai



# Are you prepared to respond to Covid-19?

## Readiness checklist

- Is your BIA practical? Have you been fully aware of the exposures to the situation and the potential impact?
- What would you do if HO / key branches are locked down?
- Do you have communication plan in place with regard to internal and external stakeholders including clients, investors and vendors?
- Do you have the crisis management plan in place to handle the situation?
- Have you established a plan to ensure that critical business process and operation can continue under the situation?
- Is your BCP effective and tested?



| Low impact scenario  | Medium impact scenario   | Critical impact scenario  |
|--|--|---|
| <ul style="list-style-type: none"> <li>▪ Labour/employee interruption/impact: less than 5%, no key position impact</li> <li>▪ Resource: minimum impact, no critical input impact</li> <li>▪ Vendor: supply chain impact but can find alternative</li> <li>▪ Communication: internal mostly and no external impact</li> </ul> | <ul style="list-style-type: none"> <li>▪ Labour/employee interruption/impact: 10% to 20%, few key position impact</li> <li>▪ Resource: critical impact, many critical input impact</li> <li>▪ Vendor: supply chain disruption</li> <li>▪ Communication: both internal and external impact</li> </ul> | <ul style="list-style-type: none"> <li>▪ Labour/employee interruption/impact: more than 20%, few key position impact</li> <li>▪ Resource: critical impact, many critical input impact</li> <li>▪ Vendor: supply chain disruption</li> <li>▪ Communication: widespread internal and external impact</li> </ul> |

Illustrative

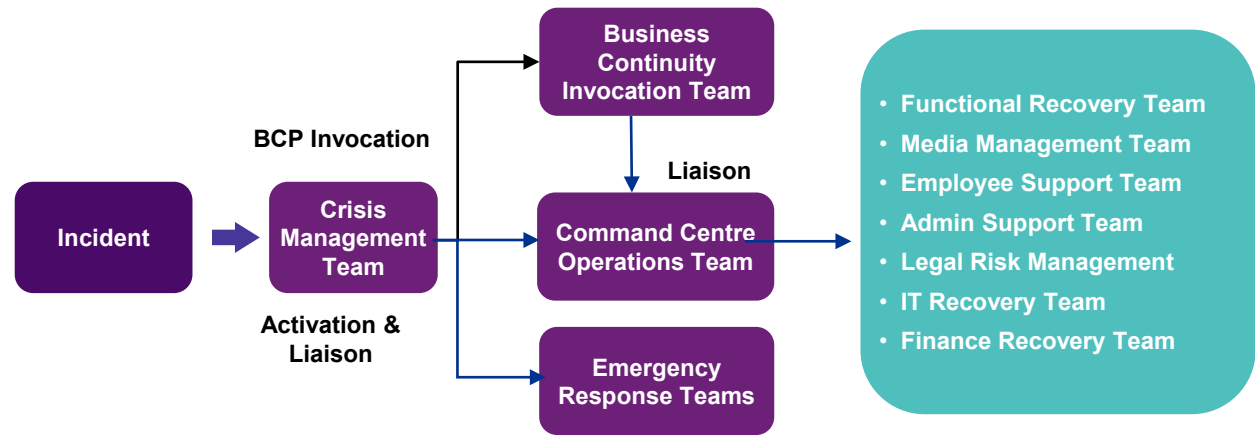
# How KPMG can help you - Covid-19 Response Plan (1/2)

KPMG Vietnam has developed a step-by-step approach to assist with your business readiness

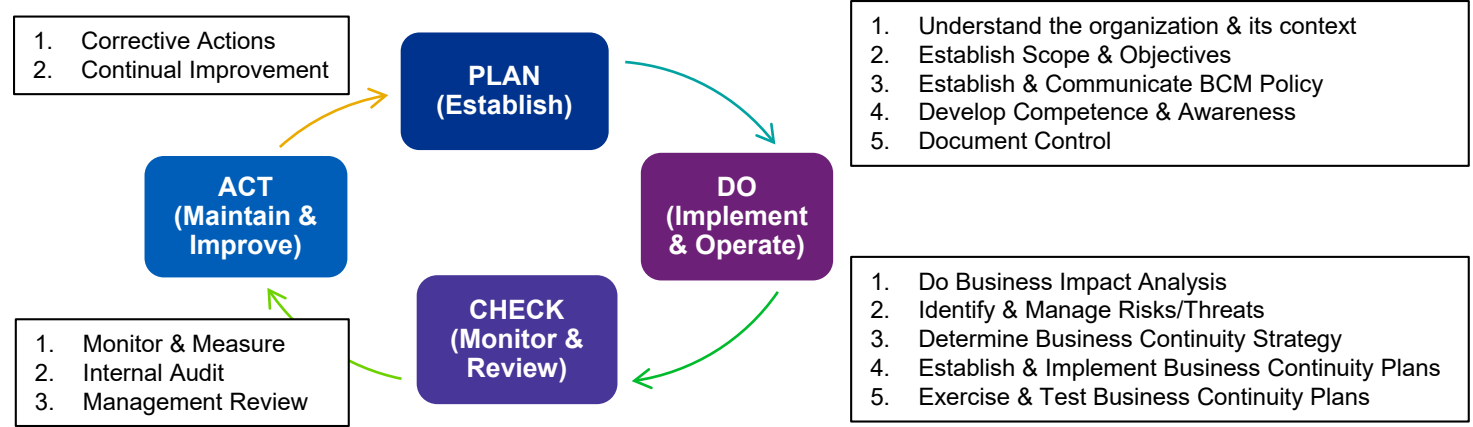
**COVID-19 RESPONSE SUPPORT**

- Crisis management response:**
- Set up of a cross-functional COVID-19 response team;
  - Prepare incidents and issues tracking and reporting
  - Prepare response checklist and activities
  - Communication plan and stakeholder management
  - Training and testing the communication plan

- Business continuity planning/ response:**
- Develop scenarios and assess the exposures and business impact of the incident
  - Prepare the BCP plan for critical business processes and systems
  - Training and testing the BCP plan



*Our BCM Methodology is in alignment with ISO 22301*



# How KPMG can help you - Covid-19 Response Plan (2/2)

KPMG Vietnam has developed a step-by-step approach to assist with your business readiness

| Scope of support      | Immediate response  | Medium and long-term response  |  |  |   |  |  |  |
|-----------------------|---|--|--|--|---|--|--|--|
|                       | <p><b>Outcomes</b></p> <ul style="list-style-type: none"> <li>Provide you actionable and practical BCP</li> <li>Review and recommend improvement of your BCP</li> </ul> <p><b>Key activities</b></p> <ul style="list-style-type: none"> <li>Support to establish the cross-functional Covid-19 response team to handle the situation;</li> <li>Support to prepare or review the tools &amp; checklist for Covid-19 incident monitoring and management</li> <li>Support to prepare/review the communication plan;</li> <li>Support workshop/trainings</li> <li>Support to prepare/review your Business continuity plan for critical business processes impacted by Covid-19 outbreak.</li> </ul> | <p><b>Outcomes</b></p> <ul style="list-style-type: none"> <li>Establish the proper structure for the crisis management plan and comprehensive business continuity plan</li> </ul> <p><b>Key activities</b></p> <ul style="list-style-type: none"> <li>Conduct Business impact analysis: we can train you on how to do BIA or facilitate the BIA for your business using different scenarios;</li> <li>Develop Recovery strategy: we can support you to identify the recovery strategy &amp; implementation approach;</li> <li>Develop Business continuity plan: We can guide you to develop BCP or review your existing BCP and support the test of your BCP plan</li> <li>Support workshops/trainings</li> <li>Testing</li> </ul> |  |  |   |  |  |  |
| Steps & timeline      |   |  |  |  |   |  |  |  |
| Mode of communication | <ul style="list-style-type: none"> <li>Webinar &amp; online VCD meeting</li> <li>Emails &amp; con-call</li> </ul>   |  |  |  | <ul style="list-style-type: none"> <li>Emails &amp; con-call</li> <li>Face-to-face interview or VCD</li> <li>Workshops</li> </ul> |  |  |  |



# KPMG's Tools & Resources

### Disruption Management Log

The following response to when the crisis occurs. Our Crisis Management Log of the legal...

The following template organisation's risk and re-assess impact. Our Crisis Management...

### Situational Awareness Report

The following template and response activities. This template is often entire Crisis Management...

### Strategic Impact Assessment

The following template and response activities. This template is often entire Crisis Management...

### Crisis Management Meeting Agenda

- Initiation**
  - Record attendance
  - Confirm roles and responsibilities
  - Confirm other resources/staff required for meeting
- Assessment**
  - Time & Location
  - Incident Overview & Chronology
  - Critical impacts
    - People
    - Community/Environment
    - Operations
    - Stakeholders
    - Technology
  - Expected resolution horizon
  - Emerging issues
  - Progress
  - Actions taken
  - Pending actions/needs
  - New requests for assistance
  - New problems
- Objectives**

Setting clear SMART goals for the meeting, and for the response. Refer to the Strategic Impact Assessment
- People**
  - Staff, contractor and client safety and wellbeing
  - Employee assistance required
  - Resourcing needs for critical activities
  - Conditions, fatigue, travel, leave and pay
- Community**
  - Community impacts
  - Assistance required
  - Resourcing needs for community support
- Clients & Customers**
  - Client impacts
  - Operational resilience (incl. Business Continuity for service delivery)
  - Additional assistance required
  - Resourcing support
- Resources**
  - People
    - Impacts
    - Availability
    - Opportunities
    - Support requirements
  - Technology
  - Facilities
  - Specialist Assets
  - Third Parties
- Operations**
  - Continuity
  - Recovery
  - Resumption of Business as Usual
- Technology**
  - Impacts
  - Performance
- Risk**
  - Compliance
  - Insurance
  - Risk management in altered conditions/processes
- Communications**
  - Stakeholders
  - Key messages
- Actions**
  - Next steps
  - Action owners
  - Other business

### Communications Planner

Many business stakeholder int... template may... responsibilities... coordinate you...

This template a... between manag... Given the num... executive activ...

### Communications Ledger

Learning from incident... identifying improvem...

### Post Incident Report

Incident Summary

Incident Date

Person/s conducting evaluation

Date of evaluation

### Basic Business Impact Assessment

Understanding how an incident may manifest in your organisation, and your tolerances for outages is an important step in planning for a response and/or recovery. This template does not replace a Business Impact Assessment, but may assist organisations as a temporary measure in the absence of one.

**Step One:** Create a seven column list per the example below.

**Step Two:** List business processes in the left-most column

**Step Three:** List your organisation's tolerance for disruption to each process in the third column. *If this process was not operational, how long could it be suspended until an irreversible and/or severe impact would be sustained? (This is often referred to as a Maximum Allowable Outage, or Maximum Tolerable Period of Disruption)*

**Step Four:** In the third to seventh columns, list critical dependencies for each process, including:

- Other processes
- Key staff
- Technology
- Third Parties
- Assets (e.g. buildings, plant and specialist equipment)

**Step Five:** Where dependencies appear multiple times, mark the lowest Maximum Allowable Outage value of any reliant process in brackets beside it.

| Process                    | MAO     | Dependencies     |                            |   |                             |                     |
|----------------------------|---------|------------------|----------------------------|---|-----------------------------|---------------------|
|                            |         | Other Processes  | Key Staff                  | Technology                                | Third Parties               | Assets              |
| Example: Stakeholder Comms | 2 Hours | N/A              | Media Officer Spokesperson | Social/Monitor Email Contacts CRM         | Media/Monitor Mail/Delivery | High-Spec Design PC |
| Example: Payroll           | 13 Days | Treasury (4 hrs) | Payroll Officer CFO HR     | E-Bank ERM System Timesheet-Email (2 hrs) | A-Bank ABC Staffing         | Bank Token PC       |

For ease of use, you may wish to plot processes and dependencies on timelines based on the urgency and priority of their recovery.



# KPMG's Sample Deliverables

## Business Continuity Plan

### Business Continuity Management Contingency Planning Measures Related to a Pandemic Threat

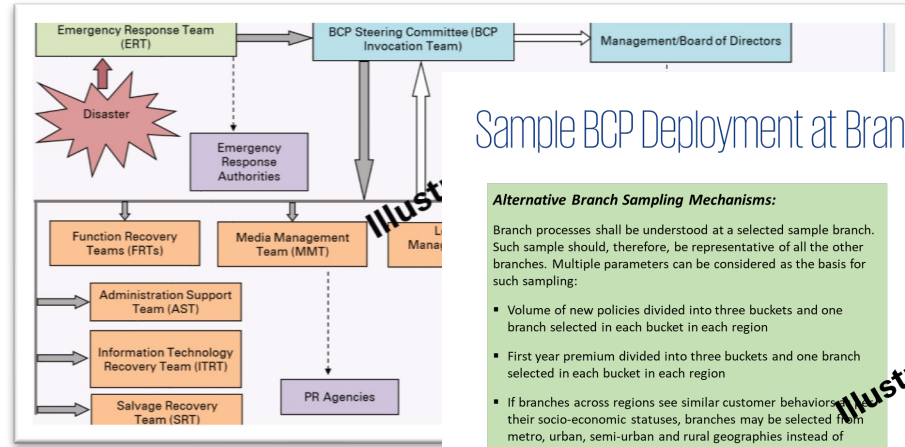
Feb 2020

This document is NOT part of the scope of project deliverables and is provided as purely guidance in determining requirements for contingency planning in case of pandemic outbreak. As such, if content is used in whole or part, it should form an integral part of the bank's Business Continuity Management (BCM) Framework with Senior Management and appropriate Risk Committees developing Phased Response Plans in the event of a pandemic or any serious outbreak of any infectious disease, or indeed to any biological based threat. We will not be responsible for any decisions or actions taken or not taken as a result of material within this document.

Current Corona virus (CoVid19) has been declared by WHO as a 'Public Health Emergency of International Concern' (PHEIC) with no Pandemic Phase level classification provided. With no official classification, given the current spread and global coverage as of date of this document, it may be pragmatic for BCM planning purposes to consider it Phase 3 bordering on Phase 4.

## Criticality Matrix

| Đơn vị                    | Loại dịch vụ                                    | Thời gian chịu đựng khi xảy ra gián đoạn |    |     |     |     |     |     |     |     |     | Mức độ nghiêm trọng |   |   |   |   |   |   |   |   |    |
|---------------------------|---|--|----|-----|-----|-----|-----|-----|-----|-----|-----|---------------------|---|---|---|---|---|---|---|---|----|
|                           |   | 4h                                       | 8h | 12h | 20h | 24h | 30h | 36h | 48h | 72h | 96h | 1                   | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
| hàng Kinh doanh ngoài thị | Quy trình nhận xét tỷ lệ giá ngoại tệ VND       |  |    |     |     |     |     |     |     |     |     |                     |   |   |   |   |   |   |   |   |    |
| hàng Thanh toán           | 1. Chuyển tiền đi nước ngoài                    |  |    |     |     |     |     |     |     |     |     |                     |   |   |   |   |   |   |   |   |    |
| hàng Hỗ trợ kinh doanh    | 1. Quy trình tác nghiệp nghiệp vụ kinh doanh là |  |    |     |     |     |     |     |     |     |     |                     |   |   |   |   |   |   |   |   |    |



## Sample BCP Deployment at Branches (if any)

- Alternative Branch Sampling Mechanisms:**

Branch processes shall be understood at a selected sample branch. Such sample should, therefore, be representative of all the other branches. Multiple parameters can be considered as the basis for such sampling:

  - Volume of new policies divided into three buckets and one branch selected in each bucket in each region
  - First year premium divided into three buckets and one branch selected in each bucket in each region
  - If branches across regions see similar customer behaviors, their socio-economic statuses, branches may be selected from metro, urban, semi-urban and rural geographies instead of focusing on each region
  - Branches may be categorized as per the YoY growth showcased by them

The final categorization parameters shall be determined upon discussion with the management
- Rollout Activities:**

During process understanding and infrastructure assessment, we shall identify alternative arrangements and infrastructure upgrades that need to be performed as one-time activities. Such activities may include:

  - Stationery and documents at alternative sites
  - Secure space for additional resources
  - Arrangement with vendors
  - Identification of hospitals and contacts of government agencies
  - Templates for stakeholder and shareholder communication
  - Technological upgrades for onsite redundancies at DC and various offices, network redundancies, elimination of Single Points of Failure and optimization of DR capabilities

Illustrative





## Contact us



### **Truong Hanh Linh**

Partner  
Risk Consulting Services  
T: +84 24 3946 1600 - 6544  
E: linhtruong@kpmg.com.vn



### **Pham Do Nhat Vinh**

Director  
Risk Consulting Services  
T: +84 24 3946 1600  
E: vnpham@kpmg.com.vn



### **Nguyen Thu Hien**

Associate Director  
Risk Consulting Services  
T: +84 24 3946 1600  
E: hnguyen41@kpmg.com.vn

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