

Recent media coverage has drawn attention to the spread of Bird Flu across Asia, and the disruptive potential it represents. Many organisations already have Business Continuity Plans that focus on IT or Building disruptions. This paper suggests how, with some analysis and pre-planning, this Business Continuity experience can be practically applied to prepare for the possibility of Bird Flu in Australia.

Executive Summary

- o Experts predict the bird flu virus will eventually mutate to a variant which is communicable between people. This will be the main trigger for a global pandemic. The timing of the mutation remains the primary uncertainty.
- o There will be a lag (possibly several months) between the virus mutating and a vaccine being developed. Once developed, the vaccine will be in short supply and may only be available to people in essential services.
- o The infection rate of the virus is predicted to cause fatalities. However, it is the action in response to fear of the Bird Flu virus amongst employees and customers that is likely to cause the greatest disruption to Australian organisations.
- o There are many Business Continuity Planning options that focus primarily on the dispersal and isolation of critical employees and functions away from the actual or potential source of infection.
- o There are preparatory steps that Australian organisations can take now, the most effective being to run scenario workshops to plan and review the organisation's response to a pandemic, which will increase confidence and identify gaps and weaknesses.

Background

- o The current strain of Bird Flu (H5N1) has killed approximately 60 people in Asia to date, with a mortality rate of 50% of infected people. This is compared to the 10% mortality rate associated with SARS in 2003.
- o Medical experts predict the virus will eventually mutate to a form that is communicable directly between humans, which will create the trigger for a pandemic. However, the timing for the mutation is uncertain and unpredictable.
- o There are likely to be several successive waves to a Bird Flu pandemic, each lasting a few weeks, over a period of 12 to 18 months.
- o A vaccine for the mutated Bird Flu virus cannot be produced until the virus is identified and isolated. It could take four to six months to develop and manufacture a vaccine in Australia for about 20 per cent of the population. Supplies will be in short supply and are likely to be reserved for people in essential services (Hospitals, Emergency Services, Defence Force, etc) and possibly for vulnerable people (expectant mothers, children).
- o The Federal Government is stockpiling 3.95 million courses of antiviral drugs (Tamiflu and Relenza). These drugs may limit the impact of the virus, but are not a cure, and are likely to be restricted to essential workers.

The Federal Government has developed a draft action plan to cope with a flu pandemic. The Australian Management Plan for Pandemic Influenza June 2005 is focussed on strategies of containment and maintenance of essential services.

Business Continuity Impact

It is difficult to make firm predictions about the business continuity impact of a Bird Flu pandemic, without knowing the location and timing of an outbreak in Australia. However, certain predictions can be made based on the available information about bird flu and other similar virus outbreaks in recent years such as SARs.

If a pandemic occurred that affected just 25% of the Australian population with no pandemic vaccine or treatment available, the Federal Government has estimated that over a 6-8 week period it could lead to:

- o 13,000-44,000 deaths (approx 0.1% to 0.2% of the Australia population)
- o 57,900-148,000 hospitalisations (approx 0.3% to 0.7% of the Australia population)
- o 2,600,000-7,500,000 outpatient visits (approx 13.0% to 37.5% of Australia population)

**If you would like more help
with Bird Flu and Business
Continuity Planning for your
organisation, please contact**

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Business Continuity Impact (continued)

- o Based on these percentages, larger Australian organisations could expect some deaths, and hospitalisations.
- o The primary sources of infection will be in areas where people congregate. In the event of a pandemic, people will avoid public areas, but this may extend to include large offices, commercial centres and CBD zones, and the public transport infrastructure.
- o A significant number of employees are likely to stay away from work, for fear of direct infection, or to care for children and family members who are unwilling to go to school or work.
- o Customers are likely to avoid situations involving face-to-face contact and will change to in-direct methods to conduct business. This may create increased demand, and capacity issues, for contact functions like call centres and web sites.
- o Organisations with a high reliance on a few personnel for specialist skills will be most vulnerable to disruption from the virus.
- o The Federal Government would use the Quarantine Act to greatly restricted international, and possibly inter-state, border controls, especially for people from, or passing through, known infection zones. This may affect your personnel who travel regularly.
- o A pandemic is likely to cause significant market movements both locally and globally, creating negative impacts for industries like Airlines, Tourism and Life Insurance, and positive movements for Healthcare and Pharmaceutical industries. Financial markets may experience abnormal volatility as the pandemic moves round the globe.

Business Continuity Planning Options

Options to consider as components of a business continuity strategy and response plans for a virus outbreak can include:

- o Re-confirm the most critical functions and employees that may need to be quarantined in the event of a major virus outbreak.
- o Nominate alternates for essential management and functional roles and ensure the nominated employees have the required training. Plan rostering schedules to avoid or limit direct contact between primary and alternates for each critical role.
- o Identify practical options for increased shift or roster working practices to allow teams to be split up and complete the required work over a 24 hour cycle, rather than a normal 8 hour business day.
- o Identify the available offices and other sites (regional offices, Business Continuity Alternate Sites, employee homes, vacant offices) that could be used in order to disperse and segregate critical functions and employees.
- o Dispersing employees to multiple locations (homes, alternative offices etc) can have an adverse effect on quality, consistency and productivity. Assess which functions will adapt to being dispersed over multiple sites for prolonged periods.
- o Reduce the number of management meetings requiring international or inter-state travel, e.g. tele or video conferencing.

Preparatory Actions to Consider

- o Conduct scenario tests using Crisis Management and Business Continuity Plans to work through the impacts and develop possible responses to a bird flu outbreak in Australia.
- o Review Business Continuity Plans to ensure that they are current, and capture information that may be required during a pandemic, such as key employees skills, alternate site information and employees contact details.
- o Review Business Continuity Plans and working practices to identify tasks and functions that can be effectively and consistently performed by employees working in isolation at home, or a new alternative office.
- o Consider new procedures for team communication and quality review as part of these temporary working arrangements.
- o Assess the technical and capacity limits for home working by staff, and identify methods to increase the capacity for remote IT access at short notice. Ensure that relevant employees have the required technology, access privileges and technical training.
- o Customer facing functions (call centres, web sites etc) can develop the skeleton of approved messages to be used at the appropriate stages during a pandemic, as it arrives, grows and subsides.
- o Prepare skeleton staff communications statements and instruct staff to update their contact details in Business Continuity Plans.
- o Limit travel by employees to current or suspected infection zones in Asia. Consider the triggers and lead-times for repatriating employees on overseas secondments in potential infection zones, and possibility that quarantine periods may be required for returning personnel.

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