

Business Continuity Planning for an Influenza Pandemic: Case Study from a Retailer

Introduction

This case study is one of ten written as a part of a study undertaken on *Business Continuity Planning for an Influenza Pandemic*. The objective is to raise awareness among business enterprises in Ireland of the need for business continuity planning (BCP) for the possible arrival of a 'flu pandemic in Ireland.

The case study is based on a real company, but is fictionalised in some respects. Key details, including the company's name, have been altered to protect its identity.

As this company, like many in Ireland, is only beginning to appreciate the need to plan for a 'flu pandemic, their plan is not yet complete, and the case study necessarily reflects this continuing planning process.

Background

1. Murphy's is a medium-sized retail grocery store, a member of a symbol group, located in an Irish provincial town.
2. It employs approximately 30 staff, half of them full-time and half part-time and is open 7 days a week from 7.30 a.m. until 10.00 p.m.
3. It receives a delivery from the symbol group twice a week. It also receives deliveries of other products (e.g. milk, fresh fruit and vegetables, bread, some chilled and frozen product and newspapers and magazines) from other suppliers, some daily and some weekly.
4. While the symbol group has done some business continuity planning at a head office and logistics function level, it has not yet extended this planning to the store level.
5. "Open all hours regardless", is the philosophy of stores like this and the concept of maybe having to review this level of service because of a 'flu pandemic is alien to the owner/manager. The 'Checklist' prepared by the consultants for this study was his only guide through the necessary thought processes.

1: Planning Activities

Planning involved the following steps:

1. The owner-manager's first step was to identify various sources of information e.g. Department of Health and Children, Health Service Executive and World Health Organisation about the pandemic threat and impact. The possibility of 40% staff absences was a shock.
2. He prepared a list of current full-time and part-time employees, together with a list of other people he knew he could draw on in the event of an emergency.
3. He contacted the symbol group Head Office to be told they were planning a meeting of store managers in various centres within the next six months to brief them on details of their business continuity plans in the event of a 'flu pandemic. In conversation with them he received another shock when they indicated that their plan took account of the possibility of supply shortages, and that it would therefore include a possible system for allocation of limited stock to stores.
4. It was at this stage that the owner/manager began to appreciate the seriousness of the potential threat of a pandemic and the consequences it could have for stores like his. It was not hard to imagine the possibility of panic buying and stock shortages.

2: Issues to be Addressed

1. The owner/manager identified critical activities within his business, essential for business continuity. These included:
 1. Stocks
 2. Staffing
 3. Cash flow
 4. Hygiene
2. He began to assess the impact on these critical activities of a 40% level of staff absences.
 - Murphy's has one major supplier of stock, the symbol group. The owner-manager was reassured that it had thought through how to manage continuity of supply. Hopefully the briefing would include guidance on how to equitably manage an "allocation" situation where this became necessary.
 - His other suppliers were a mix of local and national distributors. He knew that his local suppliers, like himself, had not considered the impact and undertook to raise it with them. Of the national suppliers, the local reps were not aware of what plans were afoot, but undertook to find out on his behalf.
 - He felt he could rely on his staff and other local resources, including family members to keep the store open. In any case he was convinced that staffing levels were not going to be the most serious issue and stock levels could well decide whether he remained open or closed.
 - As with any small business, cash flow is critical to Murphy's. However, it is not just the shop's cash flow; it is the additional 'unofficial' banking service provided by many country stores where cheques can be cashed. The owner-manager felt that, in the event of a pandemic, he could not guarantee to be able to continue to offer this service. On the other hand he was also conscious that it might be exactly because of a pandemic that his customers might need his 'banking' service.
 - Hygiene is a major consideration in any shop, but particularly a grocery store. The owner-manager decided to organise a hygiene training programme for all the staff. He also decided that, in the event of a pandemic, he would most likely have to close his hot and cold food counters, if only to respond to customer perceptions of risk.

3: Measures to Underpin Continuity

1. With appropriate advice drawn from the websites, the owner-manager developed policies for returning to work after infection, and for dealing with those showing symptoms while at work.
2. A contingency plan for key employee replacement e.g. department managers, in event of illness was prepared.
3. A communications plan was developed. This included:
 - i. Obtaining, with employee approval, all contact details for all staff including home and mobile numbers and e-mail addresses for use in an emergency.
 - ii. He organised a dedicated mobile with a number to be circulated to all staff and to be used by staff when they wanted any information about the business status at any time.

- iii. He prepared a draft briefing package to inform and educate staff in the event of a pandemic including information for individual employees and their families to be circulated in the event of a pandemic, on topics including: hygiene; identification of symptoms; and policies on absence from work.
4. He asked his insurance broker to review all policies and to advise on any necessary amendments to cater for a pandemic.
5. Face-to-face contact with shoppers is a given in retail. The owner-manager decided to make arrangements for home deliveries for customers where they registered in the event of a pandemic. Orders would be taken by phone and delivered to the door where the appropriate money would be left, thus avoiding any unnecessary contact.
6. The owner-manager agreed with a local GP that he will provide advice to any staff likely to be at high risk in the event that an influenza pandemic appears imminent.

4: Response to Workplace Risk

1. Hygiene notices are being drafted, using suggested wording drawn from various informed agencies and to be posted in the period before a pandemic arrives in Ireland.
2. Notices have also been drafted for printing and posting outside to inform the public of expected behaviour during a pandemic including being responsible enough not to enter the shop knowing they were suffering symptoms.
3. Murphy's cleaning is conducted by all staff. The owner/manager has arranged for training to be provided to all staff for appropriate hygiene standards and practice during a pandemic.
4. Stocks of hand wash, towels, tissues and other necessary materials have been ordered.

Challenges of Planning for a 'Flu Pandemic

1. Food will be an essential commodity during a pandemic and ensuring continuity of supply will be a challenge in the face of possible supply chain disruption and staff absences. Cooperation between retailers and their suppliers will be essential from if significant stock outs are to be avoided.
2. Normal retail operations require contact with the public. Rethinking the operation to minimise this is a major challenge.
3. Planning without creating unnecessary panic among staff and customers is a challenge.

Conclusion

Murphy's operates in a sector where service to the public is the major objective. Having to consider a different approach is very different to the owner/manager's usual experience. For this reason, planning and clear communication are essential.