

Improving Organizational Resilience through Integrated Business Continuity Plan in Times of Crisis

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Abstract

In the context of the crisis caused by the COVID-19 pandemic, as the issues facing organizations became increasingly complex, companies were forced to quickly adapt to a wide array of changes. The impact of the pandemic varied in severity across the globe, depending on one hand on the level of compliance from the general public with prevention measures imposed by governments, which impacted the duration and level of corresponding restrictions and on the other hand on the level of governmental fiscal and economic policies applied to support affected organizations, which aimed to partially mitigate the impact on SMEs in the most affected sectors. Business continuity plans and standards in the field of management systems represent a starting point to ensure organizational resilience, facilitating the proactive planning in view of potential major risks and also the reactive mitigation of the effects of crisis, once it has occurred. Small and medium-sized enterprises that had not developed and implemented business continuity plans to provide measures to minimize the impact of abnormal situations, have great difficulty in getting through the current global health and economic crisis. The main objective of the research presented in this paper is the implementation of an integrated business continuity plan to improve organizational resilience, following the example of an organization in Romania, whose main field of activity is the organization and conducting of swimming lessons for children from kindergartens and afterschool centers, but services also other private beneficiaries. The research results show that, through the implementation of the integrated business continuity plan, the resilience of the organization has been improved, and it has managed to recover and continue its activity, in the context of the crisis generated by the pandemic.

Keywords: Business continuity, organizational resilience, integrated business continuity plan, global crisis.

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Introduction

In the context of the crisis triggered by the COVID-19 pandemic, the global economy has entered the biggest recession after 1930, with the activity of many organizations being restricted, redefined or even suspended (Lampe, et al., 2020). Depending on the level of compliance of the general public the recommendations and measures imposed by governments and taking into account the fiscal and economic stimulus policies applied to support certain organizations, the impact of the pandemic was felt differently globally (Tavoletti, et al., 2021).

It is estimated that the most affected, both in terms of demand and supply, were small and medium enterprises (Arthur, 2020; Herbert, 2021). Organizations with more than 500 employees usually have

business continuity plans that provide measures to minimize the impact of abnormal situations so that they can more easily navigate through such global crisis.

Management systems standards, developed by the International Organization for Standardization (ISO), can facilitate the mitigation of the effects of this crisis, if properly implemented.

The main objective of the research presented in this paper is the implementation of an integrated business continuity plan to improve organizational resilience, following the example of an organization in the field of sports services in Romania.

Review of the scientific literature

As the pandemic broke out and resulting challenges became more complex, organizations were forced to adapt to changes in the context of the economic and health crisis (Beninger and Francis, 2021). To support global efforts to combat the effects of the pandemic, public authorities and researchers around the world defined a number of measures, action plans, tools or standards to help organizations, especially small and medium-sized ones, in their efforts to address the pandemic, ensuring business continuity and, at the same time, protect the health of all parties involved (Maier, et al., 2020).

The International Labor Organization published the tool "The six-step COVID-19 business continuity plan for SMEs", developed to help small and medium-sized organizations with limited resources to assess their level of business risk and level of vulnerability to the pandemic, considering the impact of the "4Ps" (People, Processes, Profits, Partnerships). The tool is actually a self-assessment questionnaire, containing questions on Safe working environment, Buildings and machinery, Stock and raw materials, Markets, Suppliers, Society, Economic environment, Public utilities, Third parties, Public infrastructure, Political and regulatory environment and Overall health. Based on the response score, the risk profile of the organization can be assessed, which can rank as highly vulnerable, vulnerable or resilient. Depending on the identified risk profile, the tool provides recommendations for the six-step development of the business continuity plan (ILO, 2020).

On the other hand, the World Economic Forum has published "The Global Risks Report 2021" which analyzes the risks to human health, unemployment, digitalization and youth disillusionment. It is estimated that, during this period, humanity is more prone to risks than in the past, resulting in new approaches to ensuring responsiveness and organizational resilience (World Economic Forum, 2021).

Regarding the lessons learned during the pandemic, the European standardization organizations (CEN - European Committee for Standardization and CENELEC - European Committee for Electrotechnical Standardization) prepared a report on their experience in improving organizational resilience and presented several examples of opportunities that can be capitalized by organizations (CEN and CENELEC, 2021).

Also, the International Organization for Standardization (ISO) developed a list of resources related to the medical and business field, which it made available free of charge to those interested (ISO, 2020). In order to improve organizational resilience, so that organizations can establish the right actions and ensure the protection of life, ISO is currently developing new standards in areas such as: contactless delivery service, emergency medical facility, cloud kitchen services, security and resilience, food security, health informatics, tourism and related services, buildings and civil engineering works or medical electrical equipment (ISO, 2021).

Standards have become the basic tools for quick fixes and thus, more than ever, they provide confidence (CEN and CENELEC, 2021). Business continuity plans, based on international standards for management systems, are a starting point to ensure organizational resilience (Bițan, et al., 2020).

Research objectives and methodology

The main objective of this research was to implement an integrated business continuity plan, based on international standards on management systems, in order to assess whether the resilience of the organization was improved by applying this plan during the pandemic. Please note that the

requirements for this plan were identified in a previous research of the authors, the results of which were published (Bițan, et al., 2020).

In order to achieve the mentioned objective, the integrated business continuity plan was experimentally implemented within an organization in the field of sports services in Romania, which has a quality management system certified according to the international standard ISO 9001. The field of activity is the organization and conducting of swimming lessons for children in kindergartens and afterschool centers, but includes also services for private beneficiaries. Due to the restrictions imposed during the pandemic, the organization's activity was suspended for two months, after which, due to the closure of kindergartens, schools and afterschool centers, the number of customers decreased significantly.

The integrated business continuity plan proposed by the authors was implemented during six months, between July-December 2020 and consisted in applying the measures established to ensure the continuity of the business in safe conditions, both for employees and customers, taking considering the requirements defined by the international standards regarding the management systems.

Results and discussion

1) Internal and external environment specific factors of the organization identified in the research

In order to understand the organization and the context in which it operates, the relevant external and internal factors were established, the mission and strategic directions were determined, as well as for the evaluation of the organization's ability to achieve the defined objectives.

Identifying and monitoring the specific factors related to the external and internal environment of the organization is essential at the management level, to identify opportunities and keep under control the risks generated by the changes of these factors.

To identify the main specific factors related to the external environment in which the organization operates, the PEST Analysis (Political, Economic, Social and Technological) was used, and to identify the main specific factors related to the internal environment the SWOT Analysis (Strengths, Weaknesses, Opportunities and Threats) was used. The identified factors are presented in tables no.1 and no.2.

Table no. 1. Specific factors of the external environment of the analyzed organization, identified using the PEST analysis

No.	Categories of factors	Specific factors of the external environment of the organization
1	Political	<ul style="list-style-type: none">• Changes in the regulations regarding sports clubs• Changes in unemployment legislation
2	Economic	<ul style="list-style-type: none">• Overall economic crisis• Increasing unemployment rate• The economic situation of sports clubs• Lack of economic incentives for sports-related activities• The consumption power of the population• The value of similar services provided by other organizations
3	Social	<ul style="list-style-type: none">• The lifestyle of the population• Respecting of human rights• Changing of customer preferences for indoor spaces
4	Technological	<ul style="list-style-type: none">• The impact of technology on the sports field

Source: authors own development.

Table no. 2. Specific factors of the internal environment of the analyzed organization, identified using the SWOT analysis

<p style="text-align: center;">Strengths</p> <ul style="list-style-type: none"> • Seriousness and professionalism (qualified, trained staff, certified competencies) • Market reputation • Recommendations of clients and collaborators • Observance of all measures to combat the spread of the virus 	<p style="text-align: center;">Weaknesses</p> <ul style="list-style-type: none"> • Limiting the capacity to provide services due to the use of swimming pools by several sports clubs • Impossibility to wear a protective mask during training • The small number of private clients, compared to the number of clients from kindergartens and afterschool centers • Impossibility to perform online training
<p style="text-align: center;">Opportunities</p> <ul style="list-style-type: none"> • Parents' willingness to bring their children to swimming lessons, due to working from home • Development of an online training program, complementary to pool training • Moving training during the summer in an outdoor pool 	<p style="text-align: center;">Threats</p> <ul style="list-style-type: none"> • Suspension or limitation of activity due to the increased number of Covid-19 cases in the local area • Closing the leased pools for a determined or indefinite period

Source: authors own development

2) *Elaboration of the measures plan of the risks identified during the pandemic and establishing the objectives of the organization*

Based on the specific factors of the internal and external environment of the organization, in the next stage focus was placed on identifying the risks that may affect the organization during the pandemic (table no. 3).

Table no. 3. The risks identified in the case of the analyzed organization, during the pandemic

Risk no.	Identified risks	Probability	Impact	Risk level	Risk category
1	Suspension or limitation of the organization's activity	3	5	15	critical risk
2	Closing for a fixed or indefinite period of the leased pools	3	5	15	critical risk
3	Illness of instructors with Covid-19	3	5	15	critical risk
4	Illness of clients with Covid-19	3	5	15	critical risk
5	Loss of reputation as a result of multiple cases of Covid-19 illness of clients and instructors	2	5	10	moderate risk

Source: authors own development

In order to prevent or reduce the adverse effects of the identified risks, a Plan of Measures for these risks was developed (Table no. 4).

Table no. 4. The proposed plan of measures for treating the identified risks in the case of the analyzed organization

Risk no.	Proposed risk management measures	Responsible	Deadline
1	Identification and observance of the measures imposed by the Government	General manager	31.12.2020
	Adherence to all measures required to prevent the transmission of the virus	General manager, Instructors	31.12.2020
	Development of an online training program, complementary to pool training	Instructors	31.12.2020

2	Identifying an outdoor pool and concluding the contract during the summer	General manager	15.07.2020
3	Performing training only based on appointments	General manager	31.12.2020
	Performing epidemiological triage before each training for both instructors and clients	Instructors	31.12.2020
	Weekly testing of instructors	Instructors	31.12.2020
	Limiting the access of companions	Instructors	31.12.2020
4	Performing training only based on appointments	Instructors	31.12.2020
	Performing epidemiological triage before each training, both for instructors and clients	Instructors	31.12.2020
	Weekly testing of instructors	Instructors	31.12.2020
	Limiting the access of companions	Instructors	31.12.2020
	Disinfection of materials and tools used after each training	General manager	31.12.2020
5	Avoiding the illness of instructors and clients, by observing all the measures imposed to avoid the transmission of the virus	Instructors	31.12.2020

Source: authors own development

Taking into account the context of the organization, the proposed Plan of measures for dealing with the identified risks and the regulations applicable to the organization, the objectives for the pandemic period were established (Table no. 5).

Table no. 5. The objectives established within the integrated business continuity plan, in the case of the analyzed organization

No.	Objective	Actions to achieve the objectives	Responsible	Deadline
1	Maintaining the activity	<ul style="list-style-type: none"> Observance of all measures required to prevent the transmission of the virus Development of an online training program, complementary to pool training 	General manager, Instructors	31.12.2020
2	Zero Covid-19 illness of instructors	<ul style="list-style-type: none"> Carrying out training only based on appointments Performing epidemiological triage before each training, both for instructors and clients Weekly testing of instructors Sanitization of materials and tools used after each training Limiting the access of companions 	Instructors	31.12.2020
3	Organizing at least 3 groups / day / location	<ul style="list-style-type: none"> Entering and leaving at fixed hours to limit the meeting with other clients Reducing the number of participants to a maximum of 10 participants / group 	Instructors	31.12.2020
4	10% increase in the number of private clients, compared to the period before the outbreak of the pandemic	<ul style="list-style-type: none"> Tariff reductions for recommendations Discounts for subscriptions for periods longer than 3 months Tariff reductions for private clients coming from kindergartens and afterschool centers with which there is a collaboration contract 	Instructors	31.12.2020
5	Moving the activity during the summer to an outdoor pool	<ul style="list-style-type: none"> Identifying an outdoor pool Concluding the contract 	General Manager	15.07.2020

Source: authors own development

In order to achieve the established objectives, the team for the implementation of the integrated business continuity plan also proposed the necessary resources (human and financial resources), and the general manager approved the allocation of these resources.

3) Implementing the measures established through the integrated business continuity plan and the continuous improvement of the results

After identifying the risks and setting the objectives, the measures established by the integrated business continuity plan were implemented. All results were monitored and analyzed monthly.

For the identified opportunities, the development of an online training program, complementary to the training in the pool and the relocation of the activity during the summer in an outdoor pool, a subscription was purchased on an online course organization platform and a contract was concluded for renting a swimming lane in an outdoor pool.

To evaluate the performance of the organization, an internal audit of the quality management system was performed. Six months after the implementation of the plan, the management review took place, in which results were evaluated: the extent to which the established objectives were met (table 6), process performance, conformity of products and services, non-conformities and corrective actions, customer and stakeholder feedback, monitoring and measurement results, internal audit results, risk assessment results and opportunities for improvement.

Table no. 6. Analysis of the stage of achievement of the objectives established for the pandemic period, in the case of the analyzed organization

No.	Objective	The results of the analysis regarding the achievement of the objectives
1	Maintaining the activity Deadline: 31.12.2020 Responsible: General Manager, Instructors	Objective in progress. A subscription was purchased on an online platform for organizing courses for conducting an online training, complementary to the training in the pool. A training lane was leased in an outdoor pool.
2	Zero Covid-19 illness of instructors Deadline: 31.12.2020 Responsible: Instructors	Goal achieved 100%. There were 2 cases of Covid registered with instructors, but after analyzing each case, it was concluded that they did not get sick within the organization.
3	Organizing at least 3 groups / day / location Deadline: 31.12.2020 Responsible: Instructors	Goal achieved 100%. Between July 15 and September 15, 2020, 8 workouts / day took place at the outdoor pool.
4	10% increase in the number of private clients, compared to the period before the outbreak of the pandemic Deadline: 31.12.2020 Responsible: Instructors	Goal achieved 100%. At the end of 2019, the organization had, on average, 350 private clients per month. After implementing the measures established by the integrated business continuity plan, at the end of 2020, the organization reached, on average, 400 private clients per month.
5	Moving the activity during the summer to an outdoor pool Deadline: 15.07.2020 Responsible: Instructors	Goal achieved 100%. The outdoor pool has been identified and the contract has been concluded for the period July 15-September 15, 2020

Source: authors own development

Although the probability of occurrence and the impact of the identified risks were not diminished, the application of the measures established for the treatment of the risks led to the development in good conditions of the organization's activity and to avoid the suspension of the activity during the pandemic.

During the implementation of the plan, all cases of Covid-19 illnesses, both of the instructors and of the clients, were investigated and it was concluded that they became ill outside the organization.

As a result of the management review and the measures established for continuous improvement, it was ensured the continuation of the online trainings and the rental of two outdoor swimming pools during the next summer, in two different neighboring areas.

It was also identified the opportunity to seek financial support through the “National Recovery and Resilience Plan” containing the recovery and resilience mechanism created by the European Union to provide effective and meaningful financial support for the implementation of sustainable reforms and related public investment (MIPER, 2021).

Conclusions

To improve organizational resilience, an integrated business continuity plan was developed experimentally, by the authors, for an organization in the field of sports services in Romania, which has a quality management system certified according to the international standard ISO 9001.

The research results show that the implementation of the integrated business continuity plan proposed to the organization's management facilitated the improvement of the organization's resilience, and understanding the organization's context, identifying and managing the risks generated by the economic and health crisis, allowed recovery and continuity during the pandemic. This ensured the reduction of the negative impact of the pandemic on the organization's activity, as a result of the closure of kindergartens, schools and afterschool centers.

The research can be expanded, by applying the above-mentioned integrated business continuity plan to other fields, especially in the context of implementing the National Recovery and Resilience Plan.

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