



# Greater demands for crisis management and business continuity

**Business continuity and crisis management will become even more important in the future, as companies will be faced with increased demands for documentation of how they will handle a crisis.**

*By Kristine Seest*

Suppliers terminate production, borders close, clients leave, and employees have to work from home. Few companies, however, were prepared for COVID-19 and the magnitude of the crisis, but they have now experienced how difficult it is to handle a crisis that does not only affect part of the company, but the entire company.

»The lessons learned during COVID-19 are priceless, because it has been a wakeup call for many companies that now understand the importance of crisis management and the ability to lead a company through a crisis. Clients, suppliers and insurance companies are likely to place greater importance on a company's ability to demonstrate that it is ready to handle a crisis, a new pandemic or other types of national or global health and financial crises. These requirements that will be pushed forward, to ensure service deliveries and business operations during and after a crisis,« says crisis management and business continuity specialist Sander Pedersen of Willis Towers Watson.

The ability to lead, communicate and quickly adapt to the new situation has been crucial to the companies that have fared well during the crisis. When Willis Towers Watson offers advice on business continuity and crisis management, the main focus is on the company's ability to adapt, but also on:

- Analysis of business dependencies
- Analysis of risks
- Risk prevention where possible
- Continuous monitoring and control of risk developments
- Development of contingency plans
- Establishment and training of response teams
- Continuous evaluation and adjustment of risks and business continuity activities

## General readiness

COVID-19 has shown how quickly a crisis can affect a business, and according to Willis Towers Watson's Enterprise Risk Management team companies will have to revisit their analyses, business continuity activities and strategic risk management to assess, what types of risks that can potentially affect the

business – and how they can prepare to deal with those risks and maybe turn them into business opportunities.

»Most people have realized that fire is not the only risk that a business needs to be prepared for. Compared to other countries – such as England – there is very little regulation and focus on risk management and business continuity in Denmark, and this is partly why well-prepared contingency plans are primarily found within fire prevention. But we will see more companies assess their exposure to a broader risk spectrum than before, and we will also see more pandemic contingency plans and a greater focus on the consequences that a crisis may have on the company's finances, supply chain and employees,« says Sander Pedersen.



Sander Pedersen, Enterprise Risk Management  
Consultant, Willis Towers Watson

A company needs business continuity and crisis management capabilities that can take over when strategic and daily risk management is inadequate. A best practice program requires a clear connection between the company's proactive risk management efforts and the insurance program.

Willis Towers Watson's Enterprise Risk Management team provides advice on strategic risk management and assists in identifying and managing the most significant risks – and to take advantage of the business opportunities that the risks may provide.

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