

# **Business continuity and your stakeholders. Who has a stake in your business?**

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**Who are your stakeholders**, how do they affect your business and why should you consider them as part of your business continuity arrangements?

## **Who are stakeholders?**

A stakeholder is a person or body of people who have a vested interest in an organisation's business, be it its success or failure.

When asked to list some typical stakeholders that your business might have, you are likely to identify ones such as staff, customers, suppliers, regulators and governing bodies, investors and shareholders.

You might go further and suggest insurers, members of the community and business partners and trade associations. They are all people who are concerned with or who may be impacted by your business on a day to day basis.

Competitors, protest groups, the media are all influential stakeholder. And they might look forward to your business's downfall or seek ways to disrupt your business?

It's important to remember that a number of your potential stakeholders could play a strong part in influencing the success of your business. So they should remain in your thoughts at all times.



### **Are the expectations of your stakeholders constant?**

What one stakeholder may expect from you under business as usual circumstances may differ from those required during a disruption. For example, a financial regulator may only require periodic information and feedback from you when the business is operating within its normal parameters.

If your business is unable to operate on a “normal” basis, greater communication, information and assurance may be required by the regulator to maintain its level of confidence in the company.

Other examples where a stakeholder’s expectation may differ during a disruption would be media attention (particularly if the disruption was of widespread media interest).

So, it’s important to have a clear understanding of what your stakeholders expect from you when it’s business as usual and during a disruption.

### **Stakeholders as part of the business continuity equation**

Whether you like it or not, stakeholders play an important part in your business and it’s in your interest to fully understand who they are and what they expect from you. You should do the following:

1. Appreciate the strategic importance of stakeholders in your business
2. Ensure that stakeholders are aware that the company has a strong culture of business continuity
3. Involve key stakeholders in the implementation and management of business continuity
4. Consider the impact to stakeholders of a business disruption and how this might affect the company’s relationship with them
5. Consider the demand on company resources by a particular stakeholder and plan for this as part of business continuity management

6. Consider an appropriate strategy to manage the relationships with stakeholders which may include special arrangements for illness, disability or welfare issues
7. Identify suitable person/s who will maintain responsibility for communicating with stakeholders during and after an incident

**What does the standard BS 25999 part 2 require?**

The standard expects you to have considered all of the above, but it doesn't ask for a formal analysis to determine who your stakeholders are. It rather assumes that you have done this in order to reach your conclusions.

So, how should you go about doing this? Preferably a working group of managers will identify all of the company's stakeholders in the form of a documented list. And against each stakeholder:

- Identify their interest in the business
- Identify the impact a disruption to the business may have on them and their how their expectations on your business may alter during a disruption
- Identify what action is required by the company in the event of such an event
- Rank each stakeholder in order of priority to the business

This list should be formally approved by a member of senior management and be subject to periodic review. Then as part of your business continuity management arrangements, you can identify a suitable communications policy for your stakeholders.

Finally, be aware that as a result of an incident, new stakeholders may appear to your business that previously had no interest in you.

Hilary Estall, Director  
Perpetual Solutions Limited  
[www.pslinfo.co.uk](http://www.pslinfo.co.uk)