

STAYING AHEAD

Having a business continuity plan in place in a crisis is an important part of a company's survival, says the NESDB **B5**

Disaster training for SMEs

NESDB says business continuity plan crucial

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The National Economic and Social Development Board (NESDB) is set to ask the Japan International Cooperation Agency (JICA) to help provide training for small and medium-sized enterprises (SMEs) to prepare continuity plans in light of increasing natural disasters and economic and political threats.

NESDB deputy secretary-general Ladawan Kumpa said, unlike large companies, SMEs are mostly running their businesses without proper business continuity planning (BCP), causing many to shut down once crises or natural disasters occur.

BCP involves defining potential risks, determining how those risks will affect operations, implementing safeguards and procedures designed to mitigate those risks, testing procedures to ensure that they work, and periodically reviewing the process to make sure it is up to date.

BCP will help a company to continue operating in the case of disasters such as fires, but may not be as effective if a large portion of the population is affected, such as in the case of an outbreak of a disease.

One example of BCP would be a finance company based in a major city backing up its computer and client files offsite so



Ladawan: Help from Japanese agency

that if something happened to the main office, satellite offices would still have access to important information.

"With proper BCP in place, it will at least help SMEs to survive and remain afloat or recover their businesses rapidly, particularly once they have been struck by national disasters or crises," Mrs Ladawan said.

JICA has already organised BCP training

to companies in Vietnam and Indonesia.

Mrs Ladawan said the NESDB would also study and learn from the experiences of various countries, especially Japan, and develop guidelines for Thai SMEs.

"Japan, in particular, has vast experience in BCP issues, as it has faced serious disasters such as tsunami and earthquake. Both Japan's government and its businesses could effectively handle such crises," she said.

The government's planning unit has assigned officials to study Japan's experiences from the tsunami and earthquake. It suggested Thailand set up a permanent emergency centre.

In the past, the government through the Interior Ministry has set up just temporary emergency centres to tackle natural disasters such as drought and floods. However, those centres were run without good equipment or technology to handle the crisis efficiently.

The NESDB also suggested setting up a centre for people to learn survival skills for natural disasters, while training should be arranged for schools or communities, especially in risk areas.

According to the NESDB's report, Thailand still lacks an early warning system that allows people to gain access to information or send short messages to people in risk areas.

In response to the 2004 tsunami and more frequent disasters such as flooding and drought, the NESDB hired PricewaterhouseCoopers three years ago to conduct a study on business continuity management systems in preparation for natural or man-made disasters.

The study suggested that Thailand needs a national plan for business continuation as well as a national committee to oversee basic infrastructure.

Sectors needing immediate support from the government includes food, energy, public health, piped water, information technology, communications and transport.

All parties need an early warning system to help prevent or minimise damage, the study said.

According to an NESDB source, the study has been proposed to the government but there has been no progress so far.