



**Australian Government**

# **SITXCRI004 Manage a business continuity crisis**

**Release: 1**

# SITXCRI004 Manage a business continuity crisis

## Modification History

Not applicable.

## Application

This unit describes the performance outcomes, skills and knowledge required to identify the ramifications of a crisis on business continuity and to respond with strategies that ensure the financial viability of the organisation. It requires the ability to identify and interpret information relevant to the crisis and the business operation, and to assess and adapt business operations to manage the crisis.

Managing business continuity is a complex process which involves the use of a range of interrelated skills, such as financial analysis, budgeting, developing operational plans and adapting the provision of products to meet the needs of a market in crisis. These skills are covered in other units.

This unit applies to all tourism, travel, hospitality and event sectors and to any size organisation. The crisis could be of a magnitude that affects the operation of an entire organisation, department or particular project.

It applies to senior managers and owner-operators who operate with significant autonomy and are responsible for making a range of strategic management decisions.

The skills in this unit must be applied in accordance with Commonwealth and State/Territory legislation, Australian/New Zealand standards and industry codes of practice.

No occupational licensing, certification or specific legislative requirements apply to this unit at the time of publication.

## Pre-requisite Unit

Nil

## Competency Field

Crisis Management

## Unit Sector

Cross-Sector

## Elements and Performance Criteria

### ELEMENTS

### PERFORMANCE CRITERIA

*Elements describe the*

*Performance criteria describe the performance needed to*

*essential outcomes.**demonstrate achievement of the element.*

1. Identify and acknowledge the crisis.
  - 1.1. Consider impacts on business operation through early identification of triggers for a downturn in business.
  - 1.2. Access and interpret information relevant to crisis.
  - 1.3. Identify and acknowledge internal and external crises.
2. Assess impacts on the financial viability of the organisation.
  - 2.1. Involve key people in assessment of crisis.
  - 2.2. Review business documents to determine current financial and operational status of organisation.
  - 2.3. Produce new financial forecasts based on known information about crisis.
  - 2.4. Produce forecast options based on reasonable and worst-case predictions of impacts.
  - 2.5. Monitor severity of crisis and adjust forecasts according to swiftly changing circumstances.
  - 2.6. Determine severity of business impacts and develop recommendations to ensure financial viability of organisation.
3. Adapt business operations to manage the crisis.
  - 3.1. Develop and implement emergency operational plan to manage the crisis.
  - 3.2. Involve key people in managing business crisis and integrate their perspectives.
  - 3.3. Implement accepted recommendations for changing business operations.
  - 3.4. Communicate new practices to key people including external suppliers.
  - 3.5. Re-align staffing arrangements to control wage costs.
  - 3.6. Gain staff confidence in current managerial activity and commitment to the organisation in crisis.
  - 3.7. Re-align products and services to meet current market needs.
  - 3.8. Re-negotiate with suppliers to achieve optimum profitability during crisis.
  - 3.9. Implement promotional and public relations activities to ensure consumer confidence.
4. Monitor and evaluate business operations.
  - 4.1. Monitor business activity and profitability throughout all stages of crisis.
  - 4.2. Seek internal and external feedback on effectiveness of emergency business operations.
  - 4.3. Identify and respond to inadequacies in emergency operational plan to account for changing circumstances.
  - 4.4. Continually adapt business operations to ensure business continuity.

## Foundation Skills

*Foundation skills essential to performance in this unit, but not explicit in the performance criteria are listed here, along with a brief context statement.*

<b>SKILLS</b>	<b>DESCRIPTION</b>
Reading skills to:	<ul style="list-style-type: none"> <li>interpret complex and unfamiliar reports about external crises and complex internal business management plans and reports</li> <li>research the internal and external factors that impact on business performance.</li> </ul>
Writing skills to:	<ul style="list-style-type: none"> <li>prepare clear, accurate and complex emergency operational plans.</li> </ul>
Oral communication skills to:	<ul style="list-style-type: none"> <li>consult with others on complex operational, financial and management issues</li> <li>communicate difficult operational changes.</li> </ul>
Numeracy skills to:	<ul style="list-style-type: none"> <li>interpret and analyse financial information from forecasts and previous performance data</li> <li>develop financial estimates and scenarios.</li> </ul>
Problem-solving skills to:	<ul style="list-style-type: none"> <li>evaluate the severity of crisis impacts on business operations and re-align practices to ensure the financial viability of the organisation</li> <li>react to swiftly changing circumstances.</li> </ul>
Planning and organising skills to:	<ul style="list-style-type: none"> <li>manage a cohesive and changeable response to crises and produce reports within tight timelines.</li> </ul>
Self-management skills to:	<ul style="list-style-type: none"> <li>take responsibility for managing an organisation in crisis and for the outcomes of emergency management practices.</li> </ul>
Technology skills to:	<ul style="list-style-type: none"> <li>use accounting software packages.</li> </ul>

## Unit Mapping Information

Supersedes and is equivalent to SITXCRI002 Manage a business continuity crisis.

## Links

Companion Volume implementation guides are found in VETNet -

<https://vetnet.gov.au/Pages/TrainingDocs.aspx?q=68c40a93-e51d-4e0f-bc06-899dff092694>