

“Contingency Planning”

**“A Comprehensive study of the Importance of Contingency planning
within an Irish Meat Organisation”**

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**This research dissertation is submitted in partial fulfilment of the
BA (Honours) in Business - Administrated at the
National College of Ireland**

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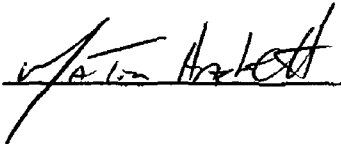
April 2008

Signed Statement

I have read the Colleges' code of practice on plagiarism. I hereby certify this material, which I now submit for assessment on the programme of study leading to the award of Honours in Business is entirely my own work and has not been taken from the work of others, save and to the extent that such work has been cited within the text of my work.

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The Company where this research was carried out has ceased production due to extensive damage caused by a fire on 12th of August 2007. I would like to wish all participants of the study and all staff, success in the future.

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Abstract

This research was conducted to examine the importance to any organisation with regard to having an effective contingency plan. The main reason for carrying out this research was to establish the true causes of ineffective contingency planning, in order to improve its frequency and duration in the organisation.

The primary research was carried out in the company where the author is employed – Glanbia Meats. Interviews were carried out with the Senior Management Team from the organisation to establish their view point with regard to this topic. When the initial research was been carried out, the senior management of the meats division approached Glanbia Plc with a management buyout plan (MBO). This has restricted the research in some manner as the management buyout process was already initiated during this thesis.

The results of this research have indicated that there where some areas where the organisation was strong, e.g. in its willingness to promote contingency planning within the organisation and realising the benefits of having the plan in place. However this research also highlighted areas where they had to improve, e.g. Scenario testing of the plan and the continuous assessment of the plan. The recommendations clearly set out the requirements to implementing and promoting a contingency plan within the organisation.

Chapter 1

1. Introduction

1.1 Background to the Organisation

This research is based on Glanbia Meats which is part of Glanbia plc. Glanbia plc is an Irish owned multi-national food processing company employing in excess of 4,000 employees based in Ireland, U.K, U.S.A and Nigeria.

The company has been through significant changes in the past thirty years, which has seen it develop from a series of independent farmer owned co-operatives to a multi-national company quoted on the Irish and U.K. stock exchanges.

In 1998 a new corporate identity was launched and the company was renamed Glanbia plc. The word Glanbia is Irish for 'pure food' and is intended to encapsulate what Glanbia stands for in relation to its customers. Glanbia's corporate goal is to build its international relevance in cheese, nutritional ingredients and in consumer foods with a nutritional emphasis.

Glanbia's structure consists of a Head Office and four Business Divisions; Consumer Foods, Food Ingredients, Nutritionals and Agribusiness. The Meat Division is incorporated into the Consumer Division. The former Avonmore plc group formed the Meat Division in the early 80's when it acquired the Roscrea facility. This led to an aggressive acquisition strategy and at its peak of growth in the middle of the 90's. The division had significant interests in Pigmear, Beef, Lamb and Cooked Meats in Ireland and the UK. Following a strategic review in the late 90's a decision was taken to exit from Beef and Lamb businesses in Ireland and exit Pigmear and Cooked Meats in the UK. The remaining part of the pigmeat Meat Division has five sites located in Ireland. Each of the sites within the Division has been

in operation over various degrees of time from the earliest 1907 to the most recent 1991. Glanbia Meats is the largest pigmeat processor on the island of Ireland currently slaughtering 25,000 pigs per week and employing 900 people in five business units. In recent years the company had to adjust its strategies, this was mainly due to the fact that they experienced two major fires to processing plants in Ruskey (2002) and one in its Edenderry Plant (2007).

(Appendix 1 - Ruskey and Edenderry Fires)

The organisation of work is continuous moving lines with staff being paid on a piece rate basis. The employees are from Ireland, Poland and Hungary.

At the time of researching for this thesis, the management team for the pigmeat division initiated a Management Buyout (MBO) with Glanbia PLC. This team consist of

1. Chief Executive Officer.
2. Operations Manager.
3. Finance and Strategy Manager.
4. Human Resources Manager.

This has occurred mainly due to the fact that Glanbia Plc has stated that it doesn't see the Pigmeat division been a part of its strategy going forward.

Chapter 2

2. Literature Review

2.1 Introduction

The aim of this research is to determine the benefits of having a contingency plan in place in order to avoid unnecessary stoppage to the operations of an organisation in the event of any crisis. By examination of the literature identified in this chapter it is intended to highlight the most common practices which an organisation should take when implementing a contingency plan. Using the experiences of Glanbia Meats history with regard to having to implement Contingency plans due to two fires in recent years, the author will try to tie in these experiences with the literature that is associated with the topic.

2.2 Contingency planning and a Business Crisis

The term crisis has become part of our everyday language. We use it on all kinds of occasions; from the coffee is cold to or a decrease in monthly sales. How come crisis has evolved to become a universal term like that of motivation or efficiency? One reason for this is that in academic circles it is likely to be the confusion of the lack of use of definition and terms of the word crisis. In this chapter the author will try to give a clear definition of a business crisis and in turn show how it may differ from everyday business issues, this will allow the author to group them in away that will help business managers and others take the appropriate actions when confronted with unexpected events.

Most crises that the press reports are of "continuous" character. By this the author refers to the type of crisis that has taken time to develop, like those of financial problems or gradual drops in market share. These types of crises often call for turnaround strategies and not for crisis management. The important distinction is that problems that develop fall into two categories, (1) Evolutionary, a crisis which develops gradually e.g. loss of sales over a period of time and (2) Traumatic, crisis which becomes a complete shock to an organisation e.g. both fires at Glanbia.

According to Meyers & Holusha there are nine distinct types of business crisis (Meyers & Holusha, 1986, quoted in Mitroff & Pauchant, 1992)

- | | | |
|----------------------------------|---|----------------|
| 1. Public Perception | } | "Traumatic" |
| 2. Sudden Market shifts | | |
| 3. Product failure | | |
| 4. Hostile takeovers | | |
| 5. Adverse international events | | |
| 6. Regulations and deregulations | | |
| 7. Top management succession | } | "Evolutionary" |
| 8. Cash | | |
| 9. Industrial relations | | |

In the initial stage of a crisis it is significant to determine if the company is actually faced with a crisis or just a minor problem. Some organisations often do not recognise whether they are facing a real crisis or just a serious problem, this may be down to not having the correct knowledge with regard to defining what a crisis is. The following are different meanings of the word crisis –

In crisis management literature C.F. Herman was one of the first to come up with a definition:

- "An event surprising individuals, restricting their time for developing a response, and threatening their high priority goals" (Hermann, 1963, quoted in Mitroff & Pauchant, 1992)
- "A disruption that physically affects a system as a whole and threatens its basic assumptions, its subjective sense of self, its existential core" (Mitroff & Pauchant, 1992)
- Glanbia define an emergency as "Any event which would
 1. Jeopardise the safety of persons on or near the site.
 2. Result in significant damage to property or equipment contained within the premises or
 3. Significantly disrupt normal day to day operations"

(Glanbia Continuity Management Policy, p59, 2007).

2.3 Effective Contingency planning for an Organisation

For the purposes of this study Contingency Planning is defined as "**First aid kit for future planning**" Donalson, Doug (2007), In Case of Emergency, p68

It is a vital part of any organisations strategy to include a contingency plan. (McConnell & Drennan, 2006, Mission impossible? Planning and Preparing for Crisis, p1 & p2) state that "Crisis management logic suggest that planning and preparing for a crisis should be a vital part of institutional and policy toolkit". They also characterise a crisis into three different categories,

1. Severe and largely unexpected threat
2. High uncertainty

3. Need for urgent decision making

Glanbia view Contingency planning as "A proactive process that seeks to identify the key functions of an organisation, the likely threats to those functions and the actions to be taken to ensure the continuity of the business and the protection of the brands and reputation following a catastrophic event or loss" (Glanbia Continuity Management Policy, p6,2007)

2.4 Common steps to Contingency planning

John Watkins, 1997, Contingency planning for the small enterprise, states in his journal the following six steps to contingency planning –

2.4.1 The Starting Point – It is vital that an organisation takes the development and maintenance of any contingency plan or business continuity plan seriously. A serious incident can affect any organisation at any time, and it should be one of those tasks that are not left on the shelf in some pre designed document. The Plan needs to be developed by a team representing all functions of the organisation.

Perry and Lindell (2003) – "Journal of Contingencies and Crisis Management, 2006, p60" state that pre-crisis planning should consist of the following

- Accurate knowledge of threats and the likely Human response.
- Encourage the appropriate action by managers.
- Flexibility in response to any crisis.
- Integrate all departments of the organisation with regard to any plan.
- Integrate each hazard plan into a multi hazard approach.
- Train the relevant personnel in crisis management response.
- Provide for the provision of testing through drills and exercises.
- Be adaptable to any new circumstances.

- Be a strong advocate of the plan, especially when there may be resistance to the plan.
- Recognise the difference between crisis planning and crisis management. i.e.

Crisis Planning = Preparedness. (See Table 1 A Typology of Organisational Preparedness for Crisis).

Crisis Management = Implementation and performance.

Table 1 A Typology of Organisational Preparedness for Crisis.

	Low Preparedness	Medium/Mixed Preparedness	High Preparedness
<i>Importance of Contingency Planning on the Organisational Agenda.</i>	Little or no importance. Not an item for serious consideration. Main focus is “routine” survival and growth.	Fairly important on occasion, but normally of much less priority than “routine” organisational goals.	Very High. Crisis preparedness becomes part of the core goals of the organisation.
<i>Attitude to threats</i>	Dismissive. “It couldn’t happen here” mentality.	Fairly serious consideration. A range of threats should be recognised and planned for.	Very serious consideration. Organisation must give high priority to planning for a range of threats.
<i>Extent of Contingency Plans</i>	None at all, or best a plan tucked away with little or no awareness by staff or stakeholders.	Fairly detailed and extensive contingency plans as an “add on” to existing organisational structure and practice.	Very detailed and extensive contingency plans, permeating the structures, practices and culture of the organisation and its interactions with stakeholders.
<i>Extent of active readiness through trials and simulations.</i>	Non- Existent.	None or patchy. Plans on paper are considered adequate.	Highly active readiness through regular crisis training and exercise.
<i>Organisational Psyche</i>	Major limits on emotional and cognitive capacities Constant quest for extensive/ego satisfaction Unable to cope with anxiety. Self inflated or self-defeatest outlook.	Reasonably open (within limits) to emotional and cognitive change. Some ability to balance core drivers with the need to address problems. Some but limited toleration and capacity to cope with anxiety. Reasonably strong self-image, although prone to over regarding itself.	Openness to emotional and cognitive change. Major concern with addressing problems. It is able to tolerate and cope with anxiety Positive self-image.

Source - Mission Impossible? Planning and preparing for crisis – Pauchant and Mitroff (1992:146)

Boin and Lagadec (2000) - "Journal of Contingencies and Crisis Management, 2006, p60" state that the correct preparation is solely down to planning. They also see that a crisis is down to anticipation and inturn developing strategies to ensure organisational reliance in the event of a crisis presenting itself. They also identify the following imperatives;

- Crisis management should be on the agenda of decision making elite's i.e. senior management, raising the awareness of these through workshops and simulations.
- Organisations should facilitate resilience through systems for detecting weak and non-conventional signals; inturn the organisation should be able to process any relevant information with regard to the event of any crisis.
- Organisations should be engaged at all times in continuous efforts of preparation and continuous learning. The organisation should continuously run tests or simulations and learn from these experiences to help the organisation in the event of a crisis. The results of this test should also be communicated to all sections of the organisation, and it is communication itself that will help any contingency plan work effectively.

Mitroff (2001) - "Journal of Contingencies and Crisis Management, 2006", also backs this up with the view that the organisation should be prepared for any eventuality of a crisis. He suggests that the organisation is like an onion, each layer of the organisation forming together to prepare for any eventuality of a crisis. (See Figure 3- "The Onion Model").

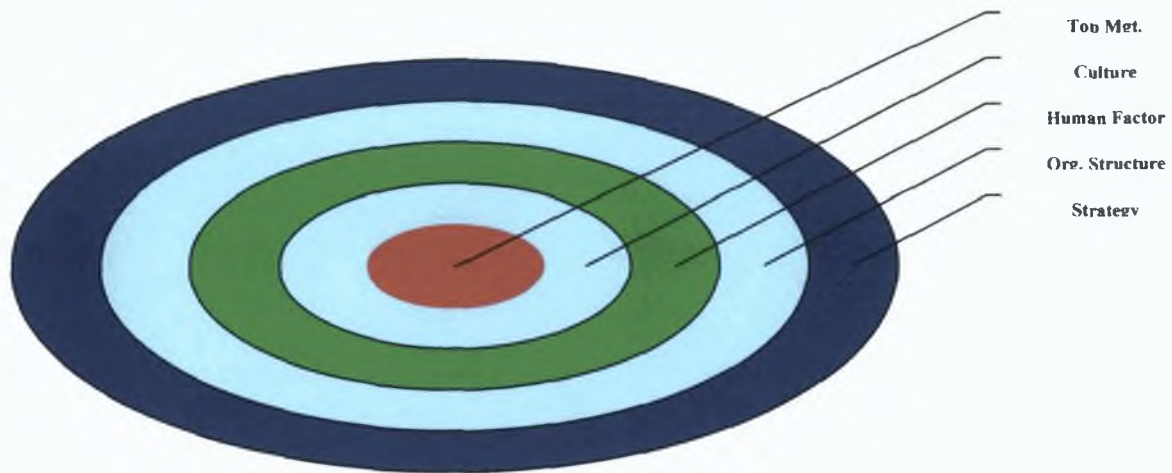


Figure 3 – "The Onion Model" (Mitroff, 2005)

2.4.2 Impact assessment – Watkins states that one of the first contingency planning tasks to be undertaken is to prepare a comprehensive list of potentially serious incidents which in turn could affect the day to day running of the organisation. This list should include all potential incidents no matter how far fetched they may seem. It is then entirely up to the management team to identify which one of these threats pose the most concern to the organisation.

In the case of Hardware retailing by Donalson, Doug (2007), In Case of Emergency, p68 Cardoza offers the "dos" and "don'ts" for impact assessment with regard to contingency planning.

The "DO'S"

- TEST "The biggest mistake most businesses make in business impact analysis is not testing their plans in real time".
- Prioritise. "You don't want to waste resources, especially in an emergency on non-critical operations".
- Be detailed. "Layout you plan showing who's going to do what, with each responsibility including an alternative if the primary staffer is not available.

The "DO NOT"

- Limit plans. Don't look at how an emergency will affect you company, you must also consider how you external customers will be affected, i.e. customers and suppliers.
- Rely on full staff. Ensuring that you have the required numbers to complete you plan. Having backup members for your team is essential.

- Ignore impact. Ensure that you consider all the impact possibilities, i.e. Financial, staffing and material impact. It is important that you analysis the impact of all elements of the organisation especially when you are constructing an impact assessment.

2.4.3 Developing the plan – Once the assessment stage is completed, the structure of the contingency plan can constructed. The plan should contain certain milestones which will inturn allow the organisation return to normal operations. It will be at this stage where the organisation will determine which critical business functions need to be resumed in order to start production. The plan will also include the key personnel who will get the plan up and running due to there knowledge of the particular business function.

Christine Robinson, Preparing for the unexpected 2005, p27, "One final aspect of contingency planning is to incorporate the planning effort and the resulting plans into your formal business strategy". He also identifies that the plan should include the following type of actions,

- Identifying mission critical task.
- Identifying tasks that are time sensitive.
- Cross training of personnel in mission critical areas.

- Using personnel from other areas during periods of peak workload.
- Identifying critical records and assuring appropriate backup.
- Team building exercises in times of extreme work load.

2.4.4 Testing the plan – Once the contingency plan has been developed, it then must be subjected to rigorous testing. This process in itself must be planned carefully and should be carried out in a suitable environment. This will help reproduce an authentic environment so far as is feasible. The plan must be tested by those persons who are directly affected. The test procedure itself should be documented and the results recorded, this is important because the feedback from the test may help to iron out any issues.

"Exercising the plan" By W. Keenan p 57, Shows the importance of testing the plan in various scenarios. "Exercising the plan – taking time out of the day to do some dry runs – is important, run scenarios for a day or two, and get employees think about what could happen and how they would respond. Logistics providers should be involved. Test their contingency plans; and communicate different scenarios"

This is also a point viewed by Gould of IBM, ("Exercising the plan" By W. Keenan p 57), "Planning is essential, it's not enough to designate a chief security officer, or email around an occasional crisis plan memo and assume that everyone will memorise it. Its naïve to think you can commit a plan to paper, then go to sleep at night assuming everything is ok. You have to test you plan, run drills, and conduct tabletop exercises as well as actual exercises. You have to exercise the crisis team so they develop a muscle like memory of how to react in the event of a disruption"

"Every Hour Lost could add up to lost customers and lost profit" Gould of IBM, ("Exercising the plan" By W. Keenan p 57)

2.4.5 Personnel Training - A critical part of the planning process, at this stage of the plan it is necessary that all personnel are made aware of its contents and their own related role within the plan. It is most important that all personnel know the importance of the plan, and in turn be aware of all the cost related to the non-conformance of the plan, i.e. loss of employment. As part of the management team is concerned it is vital that they obtain feedback from the staff in order to ensure that responsibilities and duties are understood, particularly those which require close dependency on actions being taken by others.

This is also the view of Glanbia, "The plan must be familiar to all who are expected to implement it, from group senior managers to site management. Continuous updating of this plan along with "Training" and simulation of real time events is necessary so as real time responses are not found wanting. (Glanbia Continuity Management Policy, p10, 2007).

2.4.6 Maintaining the Plan – No point in going through all the processes if you don't maintain the plan. The plan must be kept up to date and applicable to current business circumstances. Any changes to the business process must be properly reflected within the plan. It is vitally important that some one is appointed to maintain the plan, and update and test the changes where required.

Glanbia management also view that maintaining the plan is important, "Like all plans created over the course of time regular updating needs to be carried out so as to maintain confidence in the plan and the team overseeing the operation" (Glanbia Continuity Management Policy, p5,2007)

2.5 Literature Conclusion

It is vital for an organisation to have a contingency plan in place especially in the eventuality of a business crisis. It is also very important that an organisation in some way can define what a crisis is and how they would plan within the organisation on how to hope if a crisis occurred.

The key findings within the literature review are primarily centred on Table 1 – A Typology of Organisational Preparedness for Crisis. In order for an organisation to prepare itself in the event of any crisis it is vital that they are prepared for it. The key points in which the organisation must assess itself centre around the importance of a contingency plan to the organisation, the attitude of the organisation with regard to the affects of crisis to the business, have the organisation got a contingency plan in place and if so can it be readily got to, has the organisation put the plan through any test or simulations to find out how effective the plan maybe and is the organisational psyche and culture setup in such a way to take on the plan and adjust to change.

The other key points from the review are surrounded by how an organisation should go about designing or implementing a contingency plan. The main points from this area are surrounded by;

- What is the starting point for an organisation with regard to implementing a contingency plan?
- Carry out an impact assessment of all areas of an organisation which would be affected by a crisis.
- Develop a contingency plan based on these assessments.
- Test the plan to ensure that all areas of the plan are working.

- Insure that all employees are aware of the plan and that they are aware of all the crisis management elements of the plan. It is vital that this plan is driven from the top, this will inturn show how important contingency planning is to the organisation.
- It is vital the plan is kept updated and maintained. This will allow the plan to be more affective, especially when there have been changes made to the organisation.

Having all these structures in place within the organisation should help towards having an effective and well communicated contingency plan in place.

Chapter 3

3. METHODOLOGY

3.1 Introduction

Prior to undertaking any research the author constructed a method which would yield results that would fulfil the objectives of the dissertation. The most appropriate research approach was formulated, including how data would be collected, the rationale of those data-collection methods and a discussion of the validity and reliability of this data. In determining the most appropriate methodology to use for this particular research the author is guided by the 'research process onion' put forward by Saunders *et al* (2003). They propose that research should be approached in an organised methodical manner commencing with the research philosophy. The second layer considers the subject of the research approach and the third layer is the research strategy.

The fourth layer considers the time frame and the fifth layer is the data collection methods. They have presented this approach as the Research Process Onion (see Fig 1 below). This model was used by the author, in order to formulate a research approach.

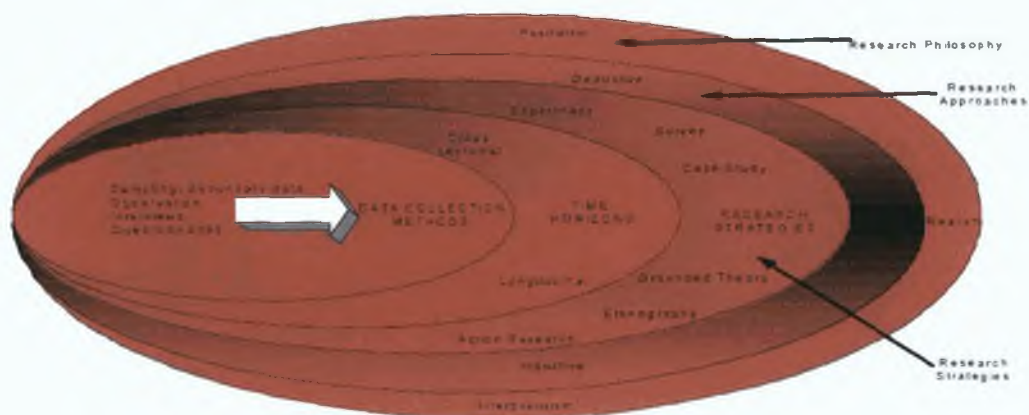


Figure 1 the Research Process 'Onion' : (Saunders *et al*, 2003)

The research is being carried out on behalf of Glanbia Meats and it is expected that the findings will be utilised to gain deeper insight into future planning scenarios.

3.2 Research Philosophy

There are three research views identified by Saunders *et al* (2003) which are presented frequently throughout the literature. They are Positivism, Interpretivism and Realism.

Positivism is described by Saunders *et al* (2003) as a position that advocates the application of the methods of the natural sciences to the study of social reality.

Interpretivism is described by Remenyi *et al* (2000), as looking beyond the information from the situation in order to understand the reality and the background. This approach has been described by Jankowicz (2000) as collecting, analysing, and interpreting data and in order to achieve sufficient understanding to predict future outcomes.

Realism is based on the belief that there are large scale social forces and processes that affect people without their knowledge about the existence of such influences. They may affect persons' interpretations and behaviours. Realism is an integration of both Positivism and Interpretivism.

3.3 Research Approach

According to Saunders *et al* (2003) the approach will depend on the level of clarity at the start of the research project on the theory being researched; this will determine if the research approach should be deductive or inductive. The deductive approach is one in which the researcher develops a theory and hypothesis and then designs a research strategy to test the hypothesis. The inductive approach is where the data is gathered and analysed and the theory developed as a result. The differences are set out by Saunders *et al* (2003, pg 89) as follows;

The deductive approach is more applicable to research which is based on:

- Scientific principles.
- Moving from theory to data.
- The need to explain casual relationships between variables.
- The collection of quantitative data.
- The application of controls to ensure validity of data.
- A highly structured approach.
- Researcher independence of research topic.
- The necessity to select samples of sufficient size in order to generalise conclusions.
- The inductive approach is more applicable to research based on:
 - Gaining an understanding of the meanings humans attach to events.
 - A close understanding of the research context.
 - The collection of qualitative data.
 - A more flexible structure to permit changes of research emphasis.
 - A realisation that the researcher is part of the process.
 - Less concern with the need to generalise.

Remenyi *et al* (2000) describe these two approaches as 'Empirical' and 'Theoretical' respectively.

Empirical is guided by the results of observation and/or experiment whereby the researcher goes becomes involved in the situation and observes through experiment or even passive observation of what is happening .The researcher can then draw conclusions and claim that the findings of the research add some information to the body of knowledge.

Theoretical is described as being of the mind whereby the researcher studies the subject

through the writings of others and through discourse with learned or informed individuals who can comment on the subject area then, reflects on these ideas and constructs a new or different view of the situation.

Both of these approaches could be applied to this research; however the author is has chosen the inductive approach as the most appropriate. This is due to the suggestion by Remenyi *et al* (2000) that postgraduate research is traditionally empirical in nature and the researcher should carefully consider using any other strategy. Hence a decision was made to adopt the empirical approach.

3.4 Research Strategy

The strategy is primarily driven by availability of appropriate data to answer the research question. In this case the question focuses on the importance to the organisation on having a contingency plan –there is a lot of academic data available to answer this question. The attitudes and opinions of the senior management team will be sought to answer the research question.

The research strategy applied in this case is driven primarily by the type of relevant information available which are;

- Academic publications
- Documented company information.
- Expert knowledge.
- Structured interviews with Senior Management were chosen as the most appropriate way to answer the research question. I will also get the view point from an external source, i.e. how have our customers viewed Glanbia’s approach during crisis such as the most recent Edenderry fire.

3.5 Data Collection Methods

This section describes the methods employed in the research for the dissertation and briefly outlines the reasons for the selection of those methods and the possible limitations associated with them. There was choice of data collection methods which could have been employed in this research.

3.5.1 Primary Data Collection – Interviews

Data collection commenced in February 2008. The source of primary data collection was conducted through individual interviews with the senior management team in Edenderry. The choice of data collection methods chosen was based on the literature review and the research objectives. In order to get to get an external opinion the author has requested via email the opinion of one of main Irish customers, Tesco Ireland.

3.5.2 Secondary Data Collection

Published academic literature on Contingency planning and reports published by recognised employer organisations were researched and reviewed. The main method of this research was to use the Internet to search various professional journals and press extracts using keywords by accessing databases provided by National College of Ireland. The search was then refined, by concentrating on certain terms and phrases. Once the initial search brought certain articles to the attention of the author, they were down loaded and checked for relevance. References in the articles were cross referenced to new articles and resources to ensure validity and recognition of the research.

It was believed that the multi-method approach would provide a comprehensive review of core issues associated with Contingency Planning within any organisation. It also permitted

internal validation of the data to occur whereby the results obtained from the interviews could be further explained by data obtained using other methods.

The results of this research fall into three levels of management and using data from these different sources enables triangulation to take place.

The use of different data collection methods (interviews and research) also enables triangulation.

Saunders *et al* (2003) describe triangulation as the use of different data collection methods within one study in order to ensure that the data is telling you what you think it is telling you. For instance senior management are calculating the cost of bad planning, but are they using this data to implement cost saving changes?

3.5.3 Data Analysis

Data analysis was carried out using the Statistical Package for the Social Sciences (SPSS). This method was chosen due to the questionnaire sample of the sample and the requirement for cross tabulation of the results.

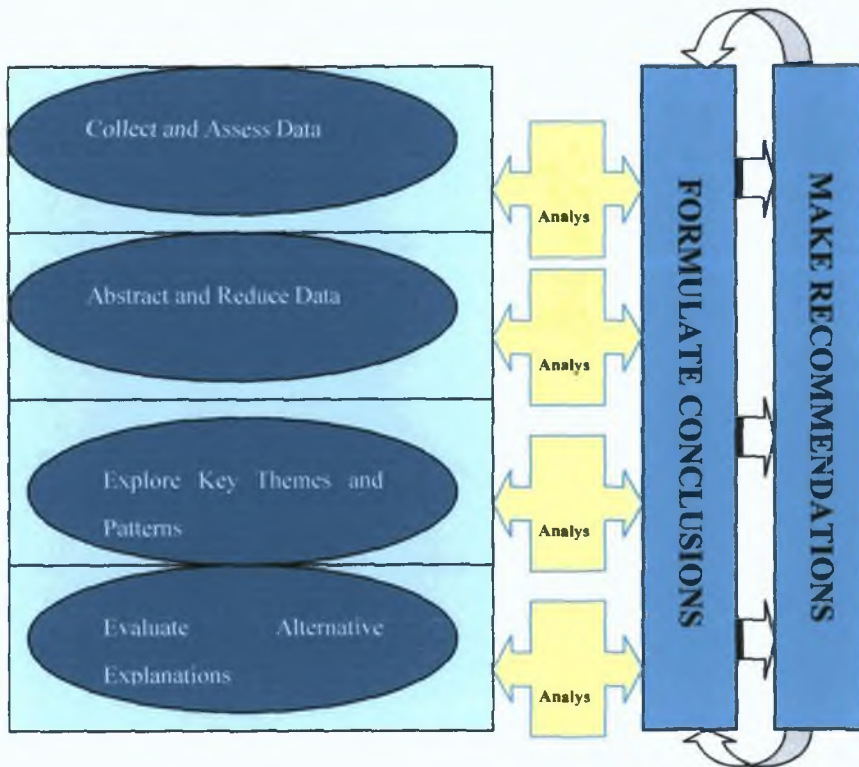


Figure 2 Qualitative Data Analysis: Research Methods in Human Resource Management
Anderson (2004)

The first objective is to reduce information and control the analysis of relevant information (ref Fig 2). Analysis of the data was carried out in order to determine the importance to the organisation of forward planning.

3.6 Limitations

The author recognises that the design of this study is at risk, due to pressures surrounding the current management buyout climate and the need for data security in the transition period. The research is being carried out at a time of uncertainty within the organisation and the exact relevance or the information obtained at this point may not be entirely relevant in the future strategy of the company.

There are inherent weaknesses to all methods of research, the weaknesses associated with the methods used are:

- The use of Interviews for this research had some specific limitations, i.e. the current management buyout climate.
- It is also important to be self-aware of body language and tone to indicate any bias by the interviewee; this is particularly relevant when interviewing colleagues.
- When considering the limitations of structured interviews the degree of flexibility which is the key strength is also one of its key disadvantages. This is particularly challenging as the author is interviewing within the organisation that they are employed, and the topic has a high level of interest for the interviewees especially in the current climate.

However taking all these limitations into account the method chosen is the most appropriate for this research. This is mainly due to the fact that all interviews are easily contactable and all are currently part of the crisis management team.

3.7 Ethical considerations

The guidance from Saunders *et al* (2003) in relation to ethics, in the context of research is defined as appropriateness of behaviour in relation to the rights of those who become the subject of the study or are affected by it.

In all cases the informants and participants are made aware of exactly why this study is been conducted, and what will be done with the information once the research is completed, in line with the guidelines identified by Remenyi *et al* (2000). This was communicated verbally before each interview took place.

The initial research is based on compiling existing literature and research, the author will ensure at all times that the original source of the information will be identified in the dissertation. It is important that the findings of such research do not affect the employability or opportunity for promotion for the candidates interviewed for this research. Anonymity of the interviewees was protected and the information used was sourced in the Glanbia Continuity Management Policy, Confidentially Statement p3, 2007.

Chapter 4

4. Findings and Research Analysis

Based on all the literature review, there are many questions to be answered by Glanbia management with regard to their views on Contingency planning. Following on from the literature review the author has constructed the relevant questions with regard to their views on contingency planning with in the Pigmear division of Glanbia plc. This also includes selected questions put forward to an external customer, Tesco Ireland.

4.1 Interview Questionnaire – Glanbia Management.

Before conducting any interview with the senior management team and one of the company's major customers, the author firstly had to study and review the area of contingency planning. The key to the research was to find out what was the most effective approach with regard to putting a contingency plan in place within the organisation, from this research a number of questions have been formulated with the view of putting them forward to the senior management team within Glanbia meats. The questions will surround the organisations experiences with crisis.

As already stated in this paper, Glanbia meats have suffered two serious fires in the last number of years and from these experiences with major crisis the author would like to ascertain if the organisation has put in place an effective contingency plan, and see how this plan compares to the literature above. To back the results up from the interviews with the management team, the author will use the results from an interview with a customer to see how they perceived our actions with regard to supplying them during a crisis.

The structure of the questions will surround,

1. Common steps to contingency planning, which is highlighted paragraph 3.4 and,
2. How the organisation compares to, Table 1 – A Typology of Organisational Preparedness for Crisis.

4.2 Interview Structure

The structure and questions surrounding the interviews with regard to contingency planning within glanbia meats will consist of the following business units.

- Operations.
- Human Resources.
- Quality Assurance.
- Information Technology.
- Sales and Customer service.

Note: Each interviewee is currently part of the crisis management team within the organisation. Some of the questions asked will relate to their positions within the organisation and some of the questions will solely relate to the crisis management area.

4.2.1 Interview Questionnaire

The following are a list of questions put forward to the Senior Management team with regard to contingency planning within the organisation.

Question 1 – What is the purpose of the contingency plan within the organisation?

Question 2 – What is your definition of a "Crisis"?

Question 3 – Have you identified the critical service areas which would affect the day to day running of the organisation?

Question 4 - Have you identified the major threats to the organisation with regard to a crisis?

Question 5 – Where do you see the organisation with regard to their "Preparedness" in the event of a crisis?

Question 6 – How is the contingency plan communicated to the organisation?

Question 7 - How often is the plan updated?

Question 8 – Do we communicate the plan to external customers, and if yes, how do we communicate it?

Question 9 - Do we run any scenario testing of the plan?

Question 10 – Can you give examples where the organisation has learnt by passed experiences with regard to managing a crisis?

4.2.5 Interview held with external customer. (Tesco Ireland)

As part of the research, the author also felt that an external view with regard to how the organisation is perceived with regard to having a contingency plan in place in the event of a crisis. A major organisation Like Tesco Ireland relies greatly on Glanbia with regard to daily supply of fresh pork. In the event of any crisis it is very important that part of the contingency plan involves how we would go about keeping our service level to our customers. The following is a question that I have put to such a customer.

In the light of our most recent crisis (Edenderry fire August 2008),

1. In your opinion can you outline how Glanbia performed with regard to keeping up service levels to Tesco?

"Tesco require a high level of quality and service from all our customers. We obviously had to take many things into consideration when the glanbia plant was destroyed in Edenderry. The Edenderry plant was the main supplying plant for glanbia on behalf of Tesco, Glanbia had many obstacles to over come in the aftermath of the fire and with the assistance from there other plants in both Parkmore and Roscrea we feel that there service levels to us where only disrupted for one or two weeks. In the light of this I would feel that the management and staff of Glanbia should feel that they responded to the crisis very effectively."

This is in line with Glanbia policy to ensure that service levels can be kept at an acceptable level in any event of crisis.

2. Is there continuous communication with Tesco from Glanbia with regard to their contingency plans in the event of another crisis?

"We have been approached by Glanbia to assess and audit their contingency plan based on their services level requirements to us on a yearly basis, this audit would consist of areas and functions of the glanbia business i.e. "Farm to "Fork".

This is in line with conditions set out in the Glanbia meats contingency plan, i.e. involving the customer in the contingency planning process.

3. In your opinion is there anything that could have been done better in the last crisis situation (Edenderry Fire) with regard to our performance in servicing Tesco?

"In any crisis you will always look back to see if anything could be done better, through our constant communications with the Glanbia management team we will always strive to ensure that future business can be conducted in an effective and efficient manner. As I have already stated, we will ensure through our constant communications and audits that we will try and help in some way through our partnership agreements to help point out any areas of concern for the business going forward."

A key area in contingency planning is ensuring that all internal and external customers are involved in the planning process; this would be in line with standard best practice.

4.2.6 Results of the Interview with the Group Operations Manager.

Interview conducted on 13/03/2008

Question 1 – What is the purpose of the contingency plan within the organisation?

"The main purpose of the plan within the organisation is to ensure that we –

- 1. Identify the key functions of the organisation which would be effected by a crisis. E.g. Slaughter Line.*
- 2. Identify options with regard to ensuring we can deliver all of our customers needs in the event of crisis.*
- 3. Promoting awareness with regard to identifying threats to the business within the organisation. E.g. Hazard analysis's exercises."*

This would imply that the organisation considers contingency planning important.

Question 2 – What is your definition of a "Crisis"?

"A Crisis in my opinion is something which prohibits us to conduct our day to day business objectives, E.G Loss of critical service equipment."

This definition would imply that the organisation has an understanding and awareness of the importance of identifying what a crisis is.

Question 3 – Have you identified the critical service areas which would affect the day to day running of the organisation?

"In relation to the continuous of business, we have identified a number of areas –

- 1. Slaughtering of pigs.*
- 2. Cutting and boning the pigs.*
- 3. Packing and servicing customers."*

This would imply that the organisation have identified the key functions of the organisation that would be seriously disrupted in the event of a crisis.

Question 4 - Have you identified the major threats to the organisation with regard to a crisis?

"Based on our passed experiences, Electrical fire hazard has become one of our main concerns. Both the fires at our Ruskey (2002) and Edenderry (2007) Fires where caused by electrical faults. We have invested heavily around the area of electricians; this had to be done for insurance reasons".

This would suggest that the organisation has identified threats that would impact on their business functions, such as electrical fires.

Question 5 – Where do you see the organisation with regard to their "Preparedness" in the event of a crisis?

"Based on our passed experiences, I would say that we are well prepared for any crisis. We have put a plan and team in place to help soften the blow in the event of a crisis."

This would imply that the organisation has prepared itself in the event of a crisis.

Question 6 – How is the contingency plan communicated to the organisation?

"It is the responsibility of each of the crisis team members to inform all of their team members of the contingency plan. This would include informing all employees of evacuation procedures and inturn point them towards all the evacuation points in the factories. There is also a copy of the contingency plan available at all sites."

This would be seen to be in line with best business practice.

Question 7 - How often is the plan updated?

"As part of the initial plan, we have incorporated a section which deals with any updates required for the plan. At this point in time we have not made any updates to this section. It is an area for review which has not been attended to due to the ongoing developments since the fire in Edenderry (2007)."

This would imply that the organisation must take the next step in ensuring that the plan is continuously reviewed and updated.

Question 8 – Do we communicate the plan to external customers, and if yes, how do we communicate it?

"Our customers are important to us. We need to ensure that we have provisions for them in the plan, especially on the supply side. In the event of any crisis we have procedures put in place to communicate the impact of any crisis on them. We also insist on annual customer audits."

This would be seen to be in line with best business practice. This has been documented in the business contingency plan.

Question 9 - Do we run any scenario testing of the plan?

"There is provision within our plan to run scenario testing. We currently run fire drills with the assistance from our Health and Safety manger. So to answer your question I would say yes."

This would be seen to be in line with best business practice, but scenario testing on all areas of the organisation is important.

Question 10 – Can you give examples where the organisation has learnt by passed experiences with regard to managing a crisis?

"Most notably we had fires in both Ruskey (2002) and Edenderry (2007). We learned a lot with regard to the fire in Ruskey, especially around the areas of

- 1. Transporting pigs to other sites for slaughtering.*
- 2. Transporting people to other plants with regard to processing these pigs on a shift basis.*
- 3. Emergency response, we felt that we did not respond quickly enough to the fire in Ruskey, we seemed to be much disorganised. When we had the fire in Edenderry we had a very good plan in place and we could contact all the relevant managers effectively. This helped a long way with organising production through the Edenderry crisis."*

This would imply that the organisation is continuously learning from their past experiences with crisis and contingency planning.

4.2.7 Results of the Interview with the Human Resource Manager.

Interview conducted on 13/03/2008

Question 1 – What is the purpose of the contingency plan within the organisation?

"Contingency planning is vital for not only our organisation but for all organisations. We must plan for any crisis, man made or natural disasters. The main reason we have for our contingency plan is to protect all the business functions in the event of a catastrophic event".

This would imply that the organisation understands the importance of contingency planning.

Question 2 – What is your definition of a "Crisis"?

"A crisis is an unexpected event that has a major affect on all the business functions, which includes how we protect the welfare of our employees in the event of a major crisis."

This definition would imply that the organisation has an understanding and awareness of the importance of identifying crises.

Question 3 – Have you identified the critical service areas which would affect the day to day running of the organisation?

"This has been documented in our current plan, areas such employee welfare, protection of our brand and servicing our customers."

This would imply that all areas of the organisation have been taken into account with regard identifying the critical service areas.

Question 4 - Have you identified the major threats to the organisation with regard to a crisis?

"There are many scenarios to speculate with; given our recent history the threat of another fire in one our processing plants would be seen as a major blow to the business."

Identifying the threats which would disrupt the functions of the organisation is a vital part in the contingency planning process.

Question 5 – Where do you see the organisation with regard to their "Preparedness" in the event of a crisis?

"As a member of the crisis management team I feel we are as prepared as any other organisation in the country, this may be associated with our passed experiences."

This is in line with best business practice, knowing that the organisation is prepared is one step closer to ensuring that organisation can soften the blow in the event of a crisis.

Question 6 – How is the contingency plan communicated to the organisation?

"Through the crisis management team, who inturn communicate it to the next level of management."

This would be seen to be in line with best business practice.

Question 7 - How often is the plan updated?

"We have identified that the plan needs consent updating, this is a continuous process."

This would be seen to be in line with best business practice.

Question 8 – Do we communicate the plan to external customers, and if yes, how do we communicate it?

"Involving external customer to conduct audits on our plan helps include them in the overall process."

This would imply that the organisation involves all internal and external customers in the contingency planning process.

Question 9 - Do we run any scenario testing of the plan?

"As part of our contingency plan we have documented certain types of scenarios, such as a major fire on our premises. We do conduct fire drills which help with the overall organisation of evacuating all the people from the building. This is an area of course we could do further work on."

This would be seen to be in line with best business practice.

Question 10 – Can you give examples where the organisation has learnt by passed experiences with regard to managing a crisis?

"In recent times we are still learning from our experiences with both the Ruskey and Edenderry fires. We definitely proved that we could maintain the same level of service to our customers during the disruption which was caused by the fire; this was an area which we identified from the Ruskey fire where we did fail."

Understanding the threats and learning from past experiences will inturn aid the organisation in the future contingency planning process.

4.2.8 Results of the Interview with the Quality Assurance Manager.

Interview conducted on 11/03/2008

Question 1 – What is the purpose of the contingency plan within the organisation?

"The purpose of a contingency plan from my prospective is to protect all the functions internally and externally of the business, this can be from packing the product to delivering the product safely to our customers."

This would relate to the other members of the team, understanding what the purpose of contingency planning in an organisation is very important.

Question 2 – What is your definition of a "Crisis"?

"There certainly many definitions with regard to a crisis, I feel a crisis is an event where the key functions of the basis cease, caused by either a natural or man made event. My main concern would surround a crisis where our product would be contaminated by either a chemical or biological substance. This would have a detrimental affect on our business especially when human life is evolved."

This would imply that there is a great understanding of what a crisis is, and how it may affect the overall business functions.

Question 3 – Have you identified the critical service areas which would affect the day to day running of the organisation?

"All functions of the business are critical to maintaining our quality service."

This would suggest that all business functions have been identified as critical areas and each area would be seriously effect in the event of a crisis.

Question 4 - Have you identified the major threats to the organisation with regard to a crisis?

"From my point of view anything to do with food safety has been identified in our plan. Any Biological hazard which gets into the food supply would be disastrous."

This would suggest that all threats to the business have been identified.

Question 5 – Where do you see the organisation with regard to their "Preparedness" in the event of a crisis?

"We have a plan in place; this should help us manage any eventuality of a crisis."

This would imply that the organisation is prepared for crisis.

Question 6 – How is the contingency plan communicated to the organisation?

"Via the contingency plan and the senior management team. This is an area where we should involve all people of the organisation."

This is in line with best business practice.

Question 7 - How often is the plan updated?

"Like all the best made plans, this one is the first draft; there is a provision in the plan for further revision."

Best business practice would indicate that the plan should be contently reviewed and updated.

Question 8 – Do we communicate the plan to external customers, and if yes, how do we communicate it?

"Part of my role is to ensure that customers are kept informed of any crisis that may arise. As quality manager I ensure that audits are done by customers and USFIS (United States Safety Inspection Service)."

This would be seen to be in line with best business practice.

Question 9 - Do we run any scenario testing of the plan?

"There is provision within the plan to run scenario testing; this is an area which we could do better. So No is the answer your question."

This would imply that not all areas of the plan have been tested; scenario running is seen to be a vital part of any contingency plan. These tests can iron out any faults within the plan.

Question 10 – Can you give examples where the organisation has learnt by passed experiences with regard to managing a crisis?

"The easy one would be the fires, but we also had to deal with the foot and mouth outbreak in Ireland which affected the supply of fresh pork to our customers. Food safety issues are always important, especially when you are dealing with consumers of fresh pork."

This would imply that the organisation have focused in on the effects all threats which would effect them. Food safety is a vital part of the plan.

4.2.9 Results of the Interview with the I.T Manager.

Interview conducted on 18/03/2008

Question 1 – What is the purpose of the contingency plan within the organisation?

"For smooth running of factories IT systems, to minimise downtime for all of the technologies that we have a level of control over."

This would imply that the interviewee has identified the key areas within his section of the organisation.

Question 2 – What is your definition of a "Crisis"?

"Downtime to a critical process or function in the plant. I.e. downtime for the kill line pc/software or downtime to the whole system (I.e. database failure)."

Knowing what a crisis is will allow you to identify the threats that may affect certain functions of the business, from an IT point of view software failure is a clear area of concern.

Question 3 – Have you identified the critical service areas which would affect the day to day running of the organisation?

"Killine, Packing, Despatch, Yields system."

This would imply that the organisation have identified the key functions of the organisation that would be seriously disrupted in the event of a crisis.

Question 4 - Have you identified the major threats to the organisation with regard to a crisis?

"Power failure/Issues: (UPS will only stay up so long) plus repeated surges after UPS failure (I.e. during storms) can damage equipment.

Network failure: Heavily reliant on retrieving yield data that is captured

Garbage data (caused by operators or bus in program) – such as wrong pack date can cause product rejects

Virus: Can render system unusable"

This would imply that an in-depth analysis was done to ascertain what the threats to the organisation where especially from the interviewee's perspective.

Question 5 – Where do you see the organisation with regard to their "Preparedness" in the event of a crisis?

"Relatively prepared within reason. I.e. where costs are available. The organisation has redundant yield databases at each plant, redundant parts, redundant network and redundant kill line station."

It is vital the organisation sticks to its contingency plan, been prepared is a vital element within the plan.

Question 6 – How is the contingency plan communicated to the organisation?

"IT as a non core function is not communicated to the rest of organisation. The limit of communication within organisation is between purchasing/accounts re: proposals to justify redundant solutions. Within the IT Department there are contingency procedures to respond to issues considered critical (I.e. database, kill line failure). Training and testing carried out within IT to either prevent failure or be ready if it happens."

Communication of the plan to all functions of the organisation is vital part of the plan; this would imply that not all functions of the business are prepared for crisis.

Question 7 - How often is the plan updated?

"Infrequently. (Maybe once a year)."

This would imply that the plan could be taken more seriously in certain functions of the business. It is best business practice to regularly review and up date the plan.

Question 8 – Do we communicate the plan to external customers, and if yes, how do we communicate it?

"Not unless there is a crisis. I.e. after fire in Edenderry customers reliant on data interchange from our systems were warned of potential disruption."

This would imply that there are some inconsistency's with regard to communicating the plan internally and externally.

Question 9 - Do we run any scenario testing of the plan?

"Yes, but limited, i.e. We have procedures which we test in accordance with different scenarios. i.e. returning yields database to live state after – physical hardware failure, data corruption, or after different length of time from last backup (last backup only applies last backed up data, backup since then relies on the backup plus incremental changes from then to recover to a point in time).

For recovery of packing, kill stations requires testing the configuration and attachment of data capture devices to these stations and testing on the network (I.e. records yields data). Especially when moving to new hardware vendors (Need to test and document compatibility with existing hardware)."

This would imply that test are carried out, but this must be done in a planned manner and involve all functions of the business.

Question 10 – Can you give examples where the organisation has learnt by passed experiences with regard to managing a crisis?

"Generally the examples highlight the need to fully understand the critical section supported and all objects and people related to it and the systemic nature of a yields system.

There is not always the time or personnel to write up a full contingency plan, to test or implement this. Although there are two personnel in the IT support function, only one person supports the production side of IT in four plants. With increased production times (i.e. including Saturdays) the system is live for more hours. Giving a conundrum of needing contingency measures as the plants are now more critical but staff resource are the same and there are less viable hours to test the system. To add to this the production system and technology are legacy requiring increasing maintenance. Short to medium term there are no plans to update the system therefore more time is spent fire fighting issues than maximising technology and skills towards preventative maintenance."

This would imply that the organisation is learning from passed experiences but, resources don't seem to be there to ensure that these failures in the past don't happen again.

4.2.10 Results of the Interview with the Sales & Customer service Manager.

Interview conducted on 11/03/2008

Question 1 – What is the purpose of the contingency plan within the organisation?

"Contingency planning from my point of view within our organisation is to protect both the internal and external functions of the business. By this I mean the plan has to include all functions which directly and indirectly affect the running of the business. e.g. If there was a break out of foot and mouth disease in Ireland, we must plan to minimise the effect that this would have on our business and how this would effect the supply to our customers. If we did have an out break this would inturn stop all exports to most of our customers in Asia."

This would imply that the organisation considers contingency planning important.

Question 2 – What is your definition of a "Crisis"?

"An unexpected event which drastically disrupts the overall business functions".

This would imply that there is a great understanding to the definition of what a crisis is, this stems from past experiences such as the fires to both plants in Edenderry and Ruskey.

Question 3 – Have you identified the critical service areas which would affect the day to day running of the organisation?

"From my point of view the customer comes first, any event which would restrict the supply to our customers would be considered as a crisis."

This would imply that any critical service within the organisation is important to the overall functions of the business.

Question 4 - Have you identified the major threats to the organisation with regard to a crisis?

"Based on the organisations history, I suppose another serious fire would have a detrimental effect on the organisation. We must also consider a lot more than just our experiences with fires, as I have already stated, the threat of an infectious disease with the pigmeat industry would also be classed as a major crisis."

This would imply that all threats to the functions of the organisation have been identified.

Question 5 – Where do you see the organisation with regard to their "Preparedness" in the event of a crisis?

"We have a strong and experienced management team who have experienced many difficulties in the past, this has led to us to build on our contingency planning within the organisation, so to answer your question I would say we are well prepared."

This would imply that the organisation is prepared for any eventuality of a crisis.

Question 6 – How is the contingency plan communicated to the organisation?

"Via the contingency plan and senior management team."

This would suggest that the plan is well communicated through the organisation.

Question 7 - How often is the plan updated?

"We first published the plan in 2007; it has not been updated yet."

This would imply that the plan has been published, but it is vital that the plan does not become another plan which is shelved. The contingency plan must be continuously reviewed and updated.

Question 8 – Do we communicate the plan to external customers, and if yes, how do we communicate it?

"Due to the fact that I am directly involved in sales and continuously in contact with our customers, I feel that we communicate reasonably well with regard to supply to them in the event of a crisis. Customers are entitled to conduct audits on all aspects of the business including our contingency plan."

This would imply that the plan is communicated to our customers; this would be considered to be best business practice.

Question 9 - Do we run any scenario testing of the plan?

"From my point of view this is an area which we could improve on, the only real testing of the plan in the past was monthly fire drills."

All areas of the plan must be tested through scenario testing. This will allow the organisation iron out any issues that may arise from the test.

Question 10 – Can you give examples where the organisation has learnt by passed experiences with regard to managing a crisis?

"Kill line disruptions – show a lack of unified understanding between IT department and maintenance of the kill line process in operation (I.e. sensors, conveyors and timing etc.). The kill line more so than most other production stations has electro mechanical features and relies on combined effort to resolve station problems. This issue caused a total closure of the plant for one day, which inturn resulted in customers not been supplied. The contingency plan is designed to ensure that all department work together to ensure that all processes within the organisation work smoothly.

It is vital that the organisation can learn from passed experiences. This can only be done if the management team drive the importance of all functions of the organisation.

5 Conclusion

*“Almost every crisis contains within itself the seeds of success as well as the roots of failure”
(Norman R Augustine, Harvard Business Review on Crisis management, p3)*

It is quite evident from the interviews that in general there is good understanding on Contingency planning within the organisation. This good understanding is based on passed experiences of crisis within the organisation, most notably the Edenderry fire in August 2007. The very fact that the organisation spent time on publishing a contingency plan for the organisation clearly shows their intent on minimising the affects that a major or minor crisis could have on the functions of the organisation in the future. It is also quite evident that the plan is been driven from the top and this can be seen from the makeup of the contingency planning team within the organisation. A representative from every function within the organisation is part of the makeup of the team. This allows communication of the plan to flow freely through the organisation.

The main obstacles surrounding the plan are the continuous updating of the plan. It was quite evident within the interviews that all the interviewees knew that the plan was in place, but not many new if it had been updated or if any scenario testing had been done to test the actual performance of the crisis management team in a response to a crisis. The only notable testing of the plan surrounded fire drills. The feeling I get from the interviews is that time and effort was put into publishing a contingency plan but now that all the work has been done this plan is now part of a filing system, only to be produced in times of audits and general information queries such as this thesis's. Another important factor surrounding the plan is the involvement of all stake holders of the organisation, most notably “Tesco Ireland”. It is quite evident that all stake holders play a very important role within the contingency plan;

they are clearly seen as function within the organisation which can be greatly affected by any crisis. In summary the organisation have sowed the seeds for a successful contingency plan, but without the constant attention to the roots of the plan they may find the plan will become outdated and not fit the organisations needs in the event of crisis.

In regard to Table 1, A Typology of Organisational Preparedness for Crisis, the author concludes that under,

1. Importance of Contingency Planning on the Organisational Agenda the organisation would be rated as fairly important on occasion, but normally of much less priority than routine organisational goals. (*Medium Importance*)
2. Attitude to threats, the organisation attitude to threats would be taken very seriously. They have given priority and identified threats to the organisation, such as fires and animal disease. (*High Importance*)
3. Extent of Contingency Plans, Fairly extent and detailed but seems to be an add-on to existing organisational goals. (*Medium Importance*)
4. Extent of active readiness through trials and simulations, Apart from running the occasional fire drills, scenario testing on the plan is poor. (*Medium Importance*)
5. Organisational Psyche, Reasonably open, but only depends if it suites the organisation, something bad has to happen before a change will be made. (*Medium Importance*).

Based on this model the author would suggest that the organisation would be classified in the medium/mixed preparedness with regard to organisational preparedness for crisis.

"Companies that have decided what they stand for in advance of a crisis, manage the crises best", (Norman R Augustine, Harvard Business Review on Crisis management, p23).

6 Recommendations

Crisis management is systematic. It is the process of thinking about a wide range of potential crises and how they can happen to any business. In addition, it is anticipating the broad range of systems whose failure can cause crises. Finally, crisis management is about planning for the actions of a wide variety of stakeholders that affect, and in turn are affected by major crisis.

Based on all of this the author has outline the following recommendations which Glanbia or any other organisation should put in place with regard to a contingency plan.

1. Anticipate and be prepared for a wide range of crisis. Glanbia must make a serious decision with regard to taking all crises seriously. Preparation at the start will payoff in the event of any crisis. It is also vital that they list out all crises that may affect the business. This list should be based on all communications with staff at all levels of the business. This will help to identify critical areas which may not be seen by other staff.
2. Pick up and amplify the early warning signals that accompany all crises. Prevention is better than cure, ensuring that all employees are preparing to identify and report potential crisis is very important part of any contingency plan.
3. Institute damage containment mechanisms early in a crisis in order to prevent it from spreading.
4. Form and train appropriate crisis management teams in order to have the necessary expertise to handle a wide variety of crisis. This is vital for any contingency plan to work; the organisation should also have a backup team in place especially in the event of members of the team leaving the organisation.

5. Continually audit the corporate culture for values that hinder effective crisis management. It is vital the culture surrounding crisis management is correct; the organisation should continuously promote active crisis management prevention seminars to promote a healthy mindset surround this topic.
6. Anticipate and include diverse stakeholders into the crisis plans and procedures. Involving all functions of the organisation from suppliers to customers. It is important to include this circle of friends who inturn would be affected by a crisis to the organisation.
7. Continually audit the contingency plan itself, the best made plans may become ineffective after a certain length of time. As seen with glanbia, a lot of time and effort was put in at the initial stage, and inturn with all of this effort the plan was in some way shelved until required. It is vital for any plan to be continuously reviewed and updated. This will help to keep all aspects of the plan in peoples minds.
8. Involve all areas of the organisation in scenario testing of the plan. The more scenarios testing the organisation can complete the more confidence the organisation will get with the contingency plan. These confidences with the plan will inturn promote a better culture within the organisation with regard to crisis prevention.
9. Involve all areas of the organisation in the crisis management team, this will send a more positive signal to the entire organisation and help the organisation spread the importance of crisis management within the organisation.

In summary the organisation have great intentions when it comes to contingency planning, this of course stems from past experiences. It is vital that the organisation builds on the work that they have done to ensure that the plan can progress to the next level. Based on the recommendations above the organisation can develop and maintain their current contingency plan, this will ensure that they can protect all of the business functions including internal and external customers in the event of another serious crisis.

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Appendix

News / Internal

Update re Fire at Edenderry, Co. Offaly Meat Plant



Date: 13/08/2007

Unfortunately there was a serious fire which caused extensive damage to the pigmeat processing facility at Edenderry, County Offaly, yesterday, 12 August. The alarm was raised at 3.50am yesterday morning and despite all the efforts of the emergency services the fire could not be brought under control. The site was not operational at the time of the incident and fortunately there were no injuries.

While the precise cause of the fire is not yet known, the incident is currently being investigated. Damage is currently being assessed and contingency plans are being put in place for the 280 employees, customers and suppliers.

"Regrettably we have had to issue protective notice to our staff. We are very conscious of the impact the fire has on employees, their families and the local community and we are doing as much as we can. We are confident of returning our management and staff to employment as soon as possible and will be meeting with all staff tomorrow morning." said Mr Jim Hanley, CEO of Glanbia Meats.

This is another setback for the pigmeat division in recent times. A major fire at the Ruskey plant in 2002 saw the loss of over 700 jobs in the area.

Ends

Appendix 1 – Ruskey and Edenderry Fires