

West LB

Implementing an ongoing programme of scenario-based crisis management exercises for senior management

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WestLB is a commercial bank with European and international operations and offers its clients a broad range of solutions including structured finance, capital market and equity products, asset management, loans, real estate finance and transaction services.

The project driver

"The rationale behind our programme of crisis management exercises was twofold" explains Nick Emery, Associate Director of Business Continuity Management at WestLB's London headquarters. "First, I wanted to show that WestLB conformed to best practice within the banking industry and, second, to prove that the bank's crisis management plan would work in practice as we expected it to."

"We'd previously completed various forms of disaster recovery testing and had exercised our crisis management plan for Y2K, but we hadn't tested it in response to other types of incidents" adds Emery. "It was important to establish that those involved in dealing with, say, a security incident understood their roles and responsibilities and felt confident about completing their actions under crisis conditions."

Identifying a partner

"I realised early on I didn't have the resources within the bank to develop, run and facilitate an exercise" says Emery. "It was far easier to get somebody in from outside to help. I'd used Insight in the past and I liked the calibre of their staff."

"Bringing expertise in introduces other benefits. You gain, for instance, from the knowledge a partner has acquired from working with other banks and, importantly, other business sectors" remarks Emery. "That was one of the advantages of working with Insight – they brought useful experience of crisis management in the rail and air industries."

"Those type of organisations have to deal with crises well and, whilst we may never have to deal with an incident on the same scale, the thought processes that go into setting up crisis management structures

within the transport industry can equally be applied to banking. The principles are the same" comments Emery.

How Insight helped

Insight worked with WestLB to develop and run a series of crisis management exercises. "The first exercises were general in nature but we adopted specific themes for the last two" states Emery. "I wanted our Crisis Management Team to understand how important dealing with Public Relations (PR) and staff issues would be during a disaster."

"The PR exercise started with a training session that taught us how to deal with the press and maintain the reputation of the organisation" says Emery. "We then ran a scenario-based exercise so that the lessons learned could be put into practice. We had to issue press statements, conduct radio and TV interviews and hold a press conference using a real TV camera crew and news reporters. It was very good."

Insight helped the WestLB team to plan and run each exercise. "The problem with scenarios is that they have to be credible" explains Emery. "Insight organised pre-exercise workshops where we discussed the viability of alternative ideas. By the time we ran the exercise, we were assured that our scenario was realistic and that nobody could say 'That would never happen'."

"Our most recent exercise focused on personnel issues and involved around thirty WestLB staff split into three teams" recalls Emery. "We used three Insight consultants – one in our HR suite, a second based in the secretarial support area and a third facilitating our Crisis Command Team."

"At the end of each exercise, we conduct a 'hot wash-up' to solicit immediate feedback from the participants" says Emery. "Insight facilitate the discussions and then develop a report itemising any issues that were encountered. The report also summarises action points and allocates responsibility for dealing with them."

"Interactive role playing exercises are very realistic and, having been involved with one, people can understand why an action point is there" adds Emery. "It certainly makes it easier to get changes approved and implemented."



Case Study

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Key features

- Ongoing programme of scenario-based, crisis management exercises
- Pre-exercise workshops helped validate credibility of scenarios used
- Lessons learned from exercises have helped improve crisis management plans
- Crisis Management Team confident about their roles and responsibilities
- Exercises have permitted changes and concerns to be addressed more easily.



Case Study

The benefits

"The exercises are a good learning tool. We've certainly improved our crisis management plans because of them" comments Emery. "People also enjoy them and it helps to build team spirit. One of our senior executives, who was the crisis commander on an exercise, commented afterwards 'That was excellent. We should do these four times a year'."

The exercises have also helped WestLB improve awareness across the bank. "We've used the interviews recorded during the PR exercise on other training sessions – that's been very good" comments Emery. "We've also included material on our business continuity intranet as a further way of improving staff awareness."

"In addition, because exercises involve senior management, the value derived tends to filter down the organisation naturally which is great" adds Emery. "The exercises have also helped me to address specific issues. I used one to highlight a concern I had over staff assembly points and it was identified as an action point in the post-exercise report."

"I've been impressed with Insight's people, their knowledge and their professional delivery capability" concludes Emery. "They've certainly helped us to improve our strategy for crisis management and to be confident that we would respond to an incident effectively. I'm sure other organisations would gain from using them as much as we have."

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Insight Consulting
Churchfield House
5 The Quintet
Churchfield Road
Walton on Thames
Surrey KT12 2TZ
United Kingdom

Tel: +44 (0)1932 241000

Fax: +44 (0)1932 244590

www.siemens.co.uk/insight

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