

The Aftershock: A New Business Reality

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The scope and nature of the "war on terrorism" remain unclear. Its effects on the business climate will differ from those of previous wars, and enterprises have forgotten much of what they knew about mobilization.

ANALYSIS

People worldwide wonder what the "war on terrorism" declared by global leaders really means, besides more uncertainty all around. Its effects have started to appear in odd ways. For example, residents living 50 miles northeast of New York City report severe interference with the city's television channels broadcast via cable TV. The cable provider cited the government's increased use of radar as the cause. Likewise, the "war" will likely affect the business climate in unexpected ways. Since this war will not be like previous wars, such as World War II and the Vietnam War, the war economy will probably not resemble past war economies.

Still, the mobilization efforts will affect business substantially. Enterprises will feel some impacts immediately and directly, such as by the loss of key workers activated as military reservists or National Guard members. Other effects will be more indirect, such as a return to "lumpy" supply and demand wrought by the supply chain disruptions and shortages of materials that a war effort might spawn. Smart enterprises in both the public and private sectors will try to assess the impacts of this uncertain, evolving economy and make adjustments in operations, strategies and even business relationships.

Businesses *can* prepare for the war economy, and many of those that do can emerge as the next generation of "blue chip" enterprises. "How to Prepare for the Campaign Against Terrorism" (TG-14-5440) provides an overview of a wartime economy, something beyond the institutional memory of many enterprises — even before the existence of some. "War Will Change the Business Environment" (TG-14-5398) addresses the impact on operations and business relations, which will place new demands on business applications. "Using the Internet to Distribute Operations in Wartime" (TG-14-5419) describes how enterprises should plan to restructure to reduce vulnerabilities.

Enterprises will also need to pay attention to specific areas that are crucial for the enterprise to remain viable. "Safeguarding the Workforce in Uncertain Times" (COM-14-5682) delves into the effect on human capital. Enterprises will of course have to ensure that their networks remain secure from physical and cyber assaults — see "Quiz Your Service Provider About Security" (TG-14-5503). In addition, the heightened awareness of terrorism will lead government to change the rules in many areas, such as privacy, and telecommunication companies and their customers will have to wrestle things into a new order — see "Telecom Challenges in the Face of Global Terror" (TG-14-5684). The changes wrought by the events of 11 September will have a truly global reach. Lest anyone believe that the war on terrorism will affect the United States predominantly, "The War on Terrorism Will Affect Euro Conversion" (TG-14-5618) explains that the fallout has already affected the euro conversion process.

Elements of business operation and management will also feel the effects early on. "Protect Your Infrastructure in Wartime" (DF-14-5485) offers advice that will prove to be beyond the experience of many enterprises. Even strategic planning takes on a new importance but becomes more burdensome as well — see "Strategic Enterprise Planning in Wartime: A Battle in Itself" (TG-14-5479). Enterprises will increase their reliance on certain applications, such as supply chain management, in the face of the logistics and inventory realities of this new war — see "Planning for Wartime Effects on the Supply Chain" (COM-14-5525). In addition, some manufacturing technologies hold lessons for IT generally on how to cope with disruptions — see "Industrial Control Can Instruct Robust IS Practices" (TU-14-5619). Finally, emerging technologies that many enterprises hesitated to adopt will move more quickly into the mainstream. "Emerging Technologies to Minimize Disruptions: Checklist" (T-14-5578) explains what they are and how they could differentiate competitive enterprises from marginal performers.

Features

"How to Prepare for the Campaign Against Terrorism" (TG-14-5440) An overview of a wartime economy. **By French Caldwell, Charles Abrams and Kristian Steenstrup**

"War Will Change the Business Environment" (TG-14-5398) The impact on operations and business relations, placing new demands on business applications. **By Daniel Miklovic, Ken Brant, Brian Zrimsek and Andy Kyte**

"Using the Internet to Distribute Operations in Wartime" (TG-14-5419) How to plan to restructure to reduce vulnerabilities. **By Kristian Steenstrup, John Girard and Daniel Miklovic**

"Safeguarding the Workforce in Uncertain Times" (COM-14-5682) The effect on human capital. **By Diane Tunick Morello, Bill Keller, Jenni Lehman, Michael Bell and Cassio Dreyfuss**

"Quiz Your Service Provider About Security" (TG-14-5503) Keeping networks secure from physical and cyber assaults. **By John Pescatore**

"Telecom Challenges in the Face of Global Terror" (TG-14-5684) The impact on telecommunication companies and their customers. **By Marcus Breen**

"The War on Terrorism Will Affect Euro Conversion" (TG-14-5618) The euro conversion process is one example of the international ramifications. **By Andrea Di Maio and Nick Jones**

"Protect Your Infrastructure in Wartime" (DF-14-5485) Outstanding advice on business operations and management. **By Bill Malik**

"Strategic Enterprise Planning in Wartime: A Battle in Itself" (TG-14-5479) Strategic planning takes on a new importance but becomes more burdensome as well. **By Andy Kyte**

"Planning for Wartime Effects on the Supply Chain" (COM-14-5525) Reliance on supply chain management will increase. **By Jeff Woods and Karen Peterson**

"Industrial Control Can Instruct Robust IS Practices" (TU-14-5619) Lessons for IT on how to cope with disruptions. **By Ken Brant and Daniel Miklovic**

"Emerging Technologies to Minimize Disruptions: Checklist" (T-14-5578) Emerging technologies will become mainstream and differentiate competitive enterprises from marginal performers. **By Kathy Harris and Jackie Fenn**

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