Business Continuity Management Governance

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Different Names – Same Concept

- BCM (Business Continuity Management) – BSI 25999
- IPOCM (Incident Preparedness & Operational Continuity Management) – ISO PAS 22399
- BR (Business Resilience)
- OR (Organizational Resilience)
- Emergency Management
- Crisis Management
- Disaster Recovery
Disasters Happen Every Day...It's A Fact!

Disasters are inevitable and costly so why are so many unprepared?

Effective organizations have:

• Management foresight
• Tested Procedures
• Process Controls
• Back-up facilities
• Business Continuity Planning (BCP)
Flood county

Towns worst hit

LOOK WHAT FLOODS HAVE DONE TO OUR NEW HOME: PAGE 3

Fire damage could cost €5m

Blazing inferno in Little Island

Halloween horror as 60 fire officers battle four separate fires at Enterprise Park

Frank Higgins - HSE Manager
What is BCM?

Business Continuity Institute (BCI) PAS56

- Holistic management process
- Identifies potential impacts
- Framework for resilience and response capability safeguard interests of key stakeholders

Or more simply...

It is the process to mount an immediate & effective response to any major incident

Ensure plans are in place to maintain output to meet customer demand

\[1\] PAS 56 – Guide to Business Continuity Management is a Publicly Available Specification developed through the British Standards Institution.
Why Is Business Continuity So Important?

- What would you do tomorrow if your building was on fire today?
- What would your customers do?
- What would your competitors do?
- What would your bank and shareholders do?

By systematically reviewing the risks you can reduce the risk of an incident occurring limit the impact if the worst comes to pass.
• Creates competitive advantage

• Reduces impact and likelihood of failure

• Demonstrates management commitment – at all levels

• Enhances image and confidence with stakeholders (shareholders, customers/suppliers, employees, local officials)

• Helps organizations fulfill moral responsibility to protect employees and the community

• Enhances an organization’s ability to minimize and recover from financial loses, market changes, fines, supplier interruptions, reputational hits, etc.

• Reduces exposure to civil or criminal liability

• Reduces insurance costs
Business Continuity Management

Success, Recovery or Failure

Fully tested effective BCM

Business Outputs

Time

Critical recovery point

No BCM – likely outcome

No BCM – ‘lucky’ escape
Components of BCM

- Emergency Response Plan
- Crisis Management/Communication Plan
- Business Recovery Plan

A successful outcome
BCM Value

The value of a well-documented, comprehensive plan:

• Companies prefer to do business with companies that have business continuity plans. Many cases, customers are demanding to review business continuity plans.

• Companies with tested plans increase chances of “surviving” by approximately 70% over companies without tested plans.

• Be prepared to meet your employee’s and customer’s needs regardless of the situation
Facts

• Businesses with no plan: 43% never reopen.

• World Trade Centre 1993 Bombing: 150 companies never reopened (43%).

• Hurricane Andrew 1992: 80% of businesses without a plan failed in 2 years.

• 2005 London Bombing: 70% of those with a plan identified that the plan needed changes.

• Katrina created a new definition of disaster: city destroyed, no roads, utilities, government infrastructure, etc. Years to recover.

• 70% of all businesses that close for one month either never reopen or fail in three years.

• Most companies that lose their computer system for 10 days or more fail.
What causes businesses to fail?

68% Human error.
25% Technology failure.
5% Natural disaster.
2% Intentional causes.

Many companies fall into a trap of planning only for “failures on a grand scale” when it is the smaller interruptions that cause most problems.
BCM Planning

Phase I: Mitigation
- After assessing your risks, do what you can to avoid the risk or reduce the impact in case of an emergency or incident.

Phase II: Preparedness
- Be as prepared as you can to minimize the impact in case of an emergency or incident.

Phase III: Response
- Take reasonable actions when emergency or incident occurs.

Phase IV: Recovery
- While still responding, start to think about how to return to normal operations as soon as possible.

Mitigation & Preparedness Occur Before an Incident
Response and Recovery Occur During & After an Emergency
Flow Diagram

- Gather Intelligence
- Complete Risk Assessment
  - Produce Plans to Address Risks
  - Promote Crisis Ready Culture
- Publish Plans Conduct Training
- Test Review Practice

Frank Higgins - HSE Manager
BCM programme management – driven top-down by executive management ensuring ownership and establishing policy. Managed at corporate/operational and operational/facility levels.

Measure results through auditing, exercising, maintenance and training. Support continuous improvement through constructive feedback.

Identify overall strategic objectives, values and activities; identify stakeholders, business processes, products and services.

Analyse financial and non-financial business impacts resulting from disruption of business processes (BIA); identify business-critical processes; identify gaps in recovery capability; develop prioritised recovery timeline.

Design appropriate levels of recovery strategies that provide practical, cost-effective solutions to close the gaps; design organisational structure to implement the formulated strategic objectives and operating model to respond to major incidents.
EFFECTIVE BCM IS BUILT ON 7 P’s

Programme - BCM Strategy

People - Roles and responsibilities, Operations, Finance, HR, Sales, Awareness and Education

Processes - All Organisational Processes Including ICT

Premises - Buildings, Facilities & Equipment

Providers - Supply Chain

Profile - Brand, Image and Reputation

Performance - Benchmarking, Evaluation & Audit
BCM Programme

Business Continuity Pillars

- Awareness and Programme Development
- Business Impact Analysis and Risk Assessment
- Continuity Strategy Design and Development
- Emergency Response Plan
- Crisis Management Plan
- Business Recovery Plan
- Business Continuity Audit
- Training and Exercising

BCM Programme Management
Lifecycle

Normal Operations
- Prepare
  - Continuity & Response Planning
  - Command Center Training
  - Plan Exercise/Testing
  - Business Impact Analysis
  - Awareness & Training
  - Risk Assessments

Operational Interruption (Disaster Event)
- Respond
  - Command Center Support
  - Coordinate Response
  - Communicate Status

Return to Normal
- Recover
  - Business Continuity Data
  - After Action Reports
  - Identify Gaps
  - Track Corrective Actions to Closure

Share Best Practices & Lessons Learned
5 Steps To BCM

Stage 1: Understanding Your Business
- Organizational Strategy
- Business Impact Analysis
- Risk Assessment & Control

Stage 2: BCM Strategies
- Organization BCM Strategy
- Process Level BCM Strategy
- Resource Recovery BCM Strategy

Stage 3: Developing & Implementing BCM Response
- Crisis Management Public Relations and the Media
- Business Continuity Plans
- Business Unit Plans, Incident Response

Stage 4: Developing BCM Culture
- Assessing
- Designing & Delivering
- Measuring Results

Stage 5: Exercise, Maintain & Audit
- Exercising of BCM Plans
- BCM Maintenance
- BCM Audit
- BCM Controls – Policies, Procedures, Practices
- Compliance
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Timeline

- Monitoring activities
- Response planning
- Asset management
- Safety programs
- Security programs
- Training / Exercises
- Audits
Mitigation & Preparation → Imminent Event → Response → Recovery → Restoration

- Occurs only if and when there is a high probability of an imminent disruptive event.
- Provides time to prepare to respond.
Timeline

- Heightened alert status
- Activate response teams
- Contingency planning
- Resource staging
- Shelter in place preparations
- Communicate with stakeholders
- Move to alternate locations
Objectives:

- Stabilize the situation
- Assess situation and damage
- Minimize initial impacts
- Prevent follow-on impacts
- Return to normal operations as soon as possible
Timeline

- Activate Emergency Response team and plans
- Activate Incident Management team and other response teams
- Communicate with stakeholders
- Situation / damage assessment
- Salvage operations
- Workarounds
Timeline

Objective:
- Ensure the organization can recover operations as fast as necessary
variety of potential resource impacts.

- Human Resources
- Data
- Facilities
- Supplies
- Equipment
- Activate Recovery teams and plans
- Activate Infrastructure Restoration plans
- Temporary work locations
- Backup equipment
- Alternate supply channels
• Occurs only in extreme cases
• Rebuilds organization back to “normal”
- Deactivating tasks in recovery plans
- Confirming or redefining the organization’s vision, mission, and role
- Restoring or creating new facilities
- Deciding which products and services will be provided in the future
- Creating awareness and understanding:
  - What the new normal operating environment will be
  - When it will happen
Business Continuity Plan

Emergency Response

- Initial control of emergency situation
- Blue light services – safeguarding human life
- Stabilising, security, damage assessment

Crisis Management

- Strategic direction/policy issues
- Crisis communications – internal and external (media)
- Co-ordination of service recovery efforts

Business Recovery

- Phased recovery of business-critical processes

Disaster Recovery

- Recovery of infrastructure and services
- Returning to “business as normal”
1. **Tolerate**: Accept the existing risk and impacts and do nothing

2. **Transfer**: Insurance, outsourcing (not all risks are transferable)

3. **Terminate**: Change, suspend, or terminate

4. **Treat**: Business Continuity – improve an organization’s resilience to the event (prevention, mitigation, preparedness, monitoring, response and recovery programs)
Suggested Course Content:

- Write a business continuity policy
- Conduct a Business Impact Analysis (BIA)
- Determine workarounds for critical processes and identify supporting resources
- Design a crisis management structure and define responsibilities
- Link emergency response to crisis management /business continuity
- Document plans and supporting documents
- Develop an implementation program
- Define maintenance and testing requirements
- Design crisis management /business continuity exercises and tests
## Training Levels

<table>
<thead>
<tr>
<th>Audience</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>All Employees</td>
<td>Basic awareness training which gives the staff an insight into basic Business Continuity and informs them about their Business Recovery Plans and what will happen to them during an incident.</td>
</tr>
<tr>
<td>Managers</td>
<td>Management training to inform managers about the overall incident response and management, the purpose of their Business Recovery Plans, what they will be expected to do during an incident and how they will implement their plans.</td>
</tr>
<tr>
<td>Business Continuity &amp; Incident Personnel</td>
<td>Specialized training to train all staff involved in incident response, management and recovery. This will probably involve a number of different training courses.</td>
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Conclusion

• Conduct a Business Impact Analysis
• Identify which processes are truly critical and cost of BC
• Prioritize investments in people and technology
• Plan and Implement
• Test, test, test!!!
• Review the business continuity plan when the business process changes
‘The pessimist sees difficulty in every opportunity.
The optimist sees opportunity in every difficulty’

- Winston Churchill
Questions