
Business Continuity Management

Why now?

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Introduction

○ Objectives

- Demonstrate why BCM is just as important today
- Practical tips for effective BCM

○ Topics

- What is Business Continuity Management?
- Why is BCM important?
- Does it happen?
- Are we ready?
- What is different today?
- BS 25999
- Tips
- Questions

Business Continuity Plan



Business Continuity Management?

◊ HM Government:

- ◊ "Business Continuity Management (BCM) is a process developed to counteract systems failure. It is not just about the recovery of IT systems and services, it is an organisation-wide discipline."

◊ Local Government:

- ◊ "Business continuity planning is a process of identifying and evaluating the risks to your business and then planning to enable the business to continue operating (and recover) if the worst happens." (Lambeth)

◊ BS 25999:

- ◊ *"A holistic management process that identifies potential threats to an organisation and the impacts to business operations that those threats, if realised, might cause, and which provides a framework for building organisational resilience with the capability for a effective response that safeguards the interests of its key stakeholders, reputation, brand and value-creating activities."*

Why is BCM important?

◊ Chartered Management Institute and the Cabinet Office – BCM Annual Survey:

- ◊ "Business Continuity Management (BCM) is based on the principle that it is the key responsibility of an organisation's directors to ensure the continuation of its business operations at all times."
- ◊ "There is also evidence that planning is being driven through the supply chain, through the requirements of public sector procurement contracts and by customers demanding evidence of BCPs from their business-critical suppliers."
- ◊ "Government continues to play a major role in driving BCM through the public sector and beyond. The Civil Contingencies Act appears to already have had some impact, and this trend is likely to continue."

Director's
Responsibility

Customer
Requirements

Government
Requirements

Does it happen?

Disruption	2003	2004	2005	2006	2007	2008	2009
	%	%	%	%	%	%	%
Loss of IT	24	25	41	38	39	43	40%
Extreme weather	15	10	18	9	28	29	25%
Loss of people	26	20	28	29	32	35	24%
Loss of telecommunications	-	23	28	24	25	30	23%
Utility outage	-	-	28	19	21	14	21%

Chartered Management Institute and the Cabinet Office - BCM Annual Survey 2009

Does it happen?

Government Statistics:

- 80% of businesses affected by a major incident close within 18 months.
- 90% of businesses that lose data from a disaster are forced to shut within 2 years.
- 58% of UK organisations were disrupted by September 11th. One in eight was seriously affected.

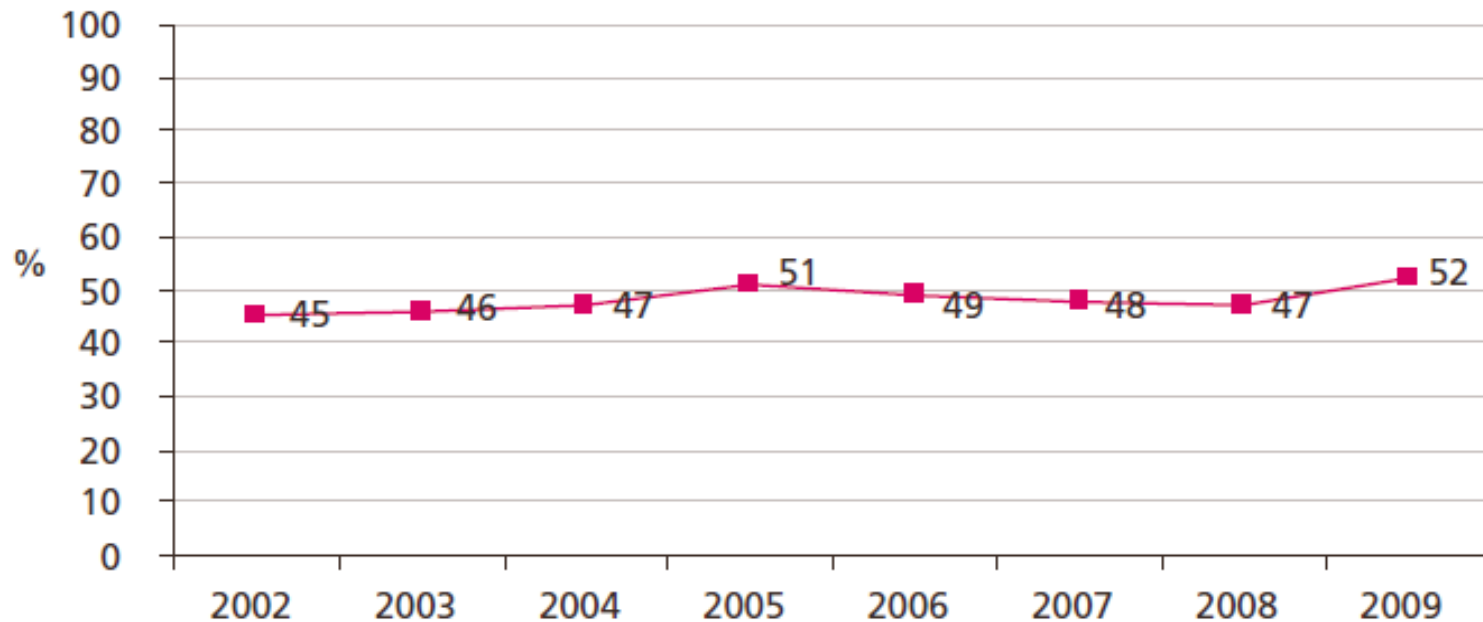


**Buncefield fire
December 12 2005**

Photo by Chiltern Air Support Unit

Are we ready?

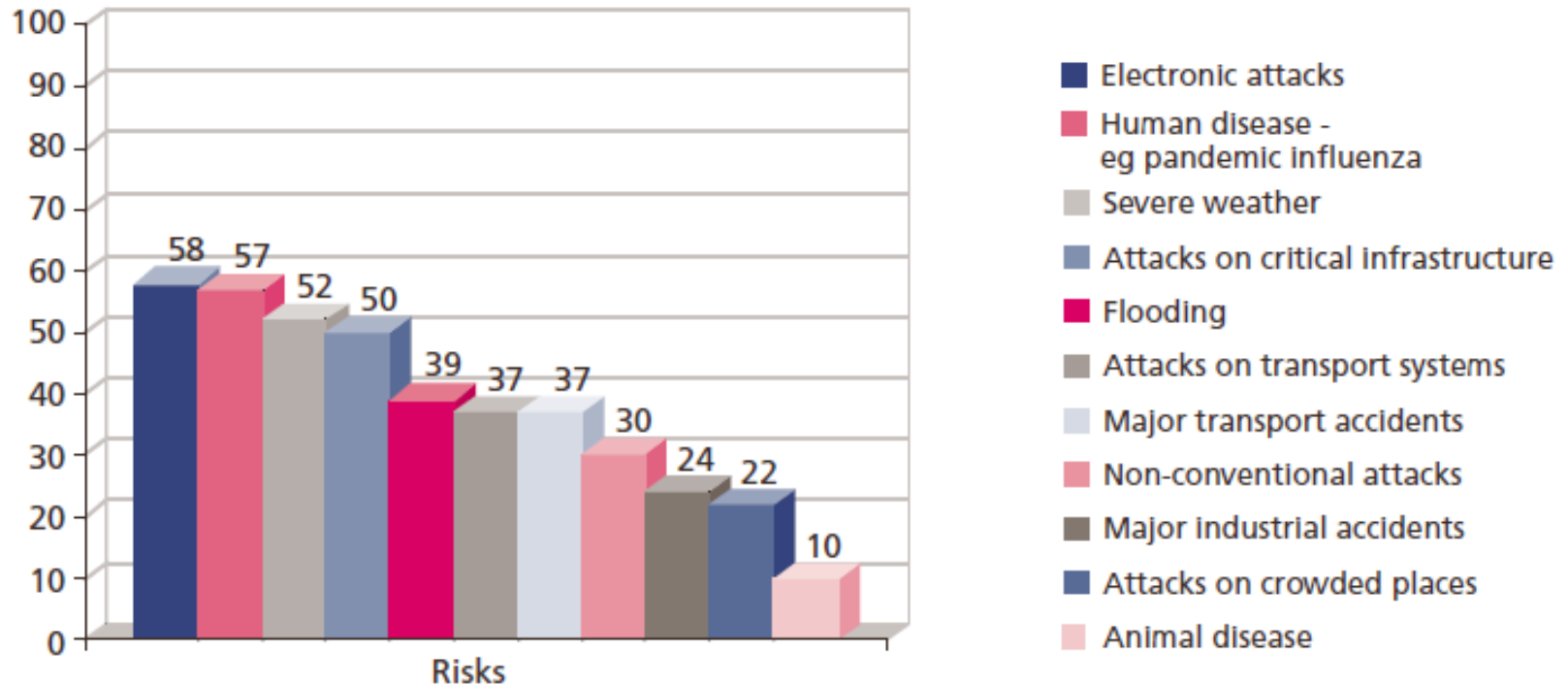
Organisations with specific BCM Plans



Chartered Management Institute and the Cabinet Office - BCM Annual Survey 2009

What is different today?

2009 priority of risks



Chartered Management Institute and the Cabinet Office - BCM Annual Survey 2009

What is the effect of the recession?

Survey of CFO's, FD's and Risk Managers:

- Has operational risk increased in the last 12 months? **Yes 65%**
- Are there more supply chain risks? **Yes 70%**
- Have redundancies and cost reductions impacted on operational effectiveness and increased risk? **Yes 50%**

ICAEW and SunGard Survey - June 2009

Recap – Is BCM important today?

- **Director's responsibility**
- **Customers want it**
- **Government encourages it**
- **Incidents do happen**
- **IT incidents are the most frequent**
- **Consequences can be significant**
- **Only half of organisations are prepared**
- **IT is perceived as the area of greatest risk**
- **Recession has increased risk**

Answer – Yes!

BS25999 – Business Continuity

◊ **BCM programme management**

- ◊ Programme management enables the business continuity capability to be both established (if necessary) and maintained in a manner appropriate to the size and complexity of the organisation.

◊ **Understanding the organisation**

- ◊ The activities associated with "Understanding the organisation" provide information that enables prioritisation of an organisation's products and services, identification of critical supporting activities and the resources that are required to deliver them.

◊ **Determining business continuity strategies**

- ◊ This allows an appropriate response to be chosen for each product or service, such that the organisation can continue to deliver those products and services at the time of disruption.

◊ **Developing and implementing a BCM response**

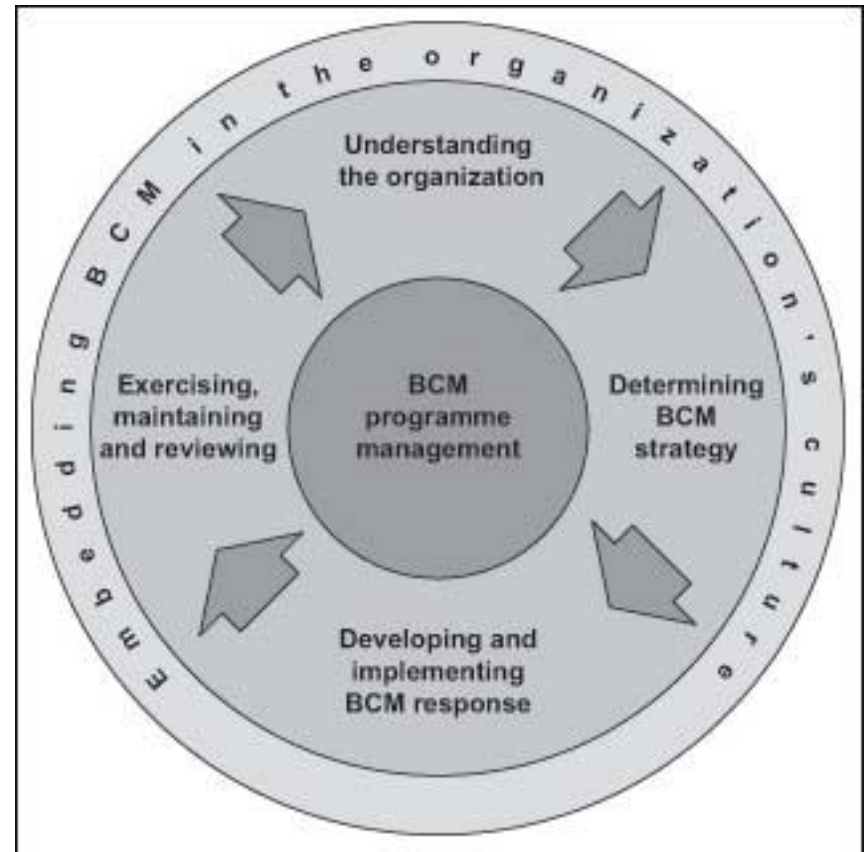
- ◊ This involves developing incident management, business continuity and business recovery plans that detail the steps to be taken during and after an incident to maintain or restore operations.

◊ **BCM exercising, maintaining and reviewing BCM arrangements**

- ◊ This leads to the organisation being able to demonstrate the extent to which its strategies and plans are complete, current and accurate and identify opportunities for improvement.

◊ **Embedding BCM in the organisation's culture**

- ◊ This enables BCM to become part of the organisation's core values and instils confidence in all stakeholders in the ability of the organisation to cope with disruptions.



Tips for effective BCM

Senior sponsorship

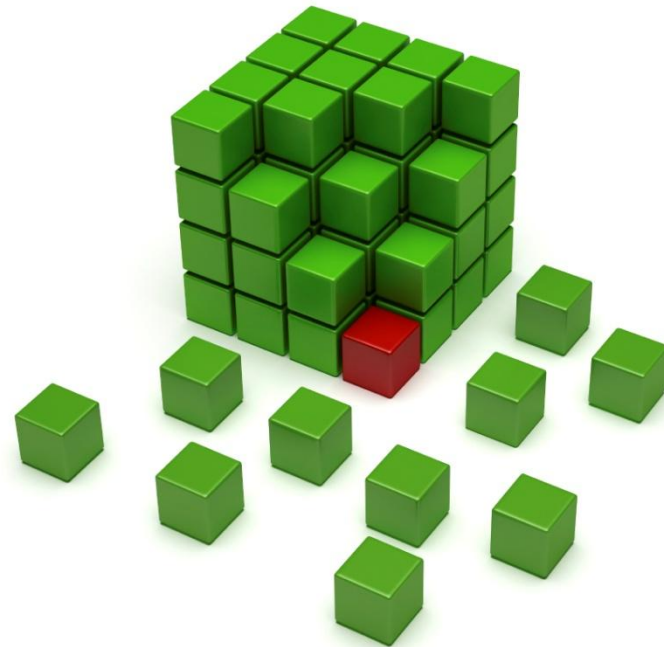
- Critical – to “embed in organisation”
 - Resource availability
 - Required “clout”
 - The higher the better
-
- ICAEW/Sungard Survey:
 - Only a third of organisations discuss risk and resilience at Board level!



Tips for effective BCM

○ Set a Policy

- From a business perspective
- Include:
 - Definition
 - Scope
 - Priorities
 - Minimum standards
 - Operational framework
 - Review process
- Get it approved
- Ensure plans meet the Policy



Tips for effective BCM

◉ Clear responsibilities

◉ Who owns what?

The Policy

The Budget

The Plans

Communication



◉ Crisis management

◉ Separate Teams

◉ Manage the crisis

◉ Fix the problem

◉ The day job

Tips for effective BCM

○ Test

- The most important part!
- Realistic
- Regular
- Objectives:
 - Find out what does not work
 - Improve the process
 - Train people
 - Embed into the organisation



Five tips for effective BCM

- Senior sponsorship
- Set a Policy
- Clear responsibilities
- Test
- Test again!



Questions?




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-  intelligent IT sourcing
-  technical consultancy
-  process improvement
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-  people and learning