Getting Started

Business Continuity Management is a process driven from the top of the organisation. The first stage has to be an acceptance by the Board or the Executive Committee of the organisation that BCM is a valid approach to take. A member of the Board or Executive should be given overall responsibility for the process and appointed as sponsor or champion. This ensures that the process is given the correct level of importance within the organisation and a greater chance of effective implementation.

An overall BCM co-ordinator should then be appointed to report directly to the Board or Executive member responsible for BCM. This person is ideally someone who understands the business structures and people. He/she needs good programme management, communication and interpersonal skills and be a good team leader. In addition budget must be allocated for the initial stages of the process.

According to the scale of the organisation or workload the BCM Co-ordinator may need the support of BCM analysts, lower level/ regional teams and appropriate administrative staff.

For larger operations matrix team management is the best way to approach BCM.   The team will be drawn from existing managers within key divisions and or locations. It is expected that they will not be full time members of the team but will need to dedicate appropriate time to the BCM process.

The aim is to ensure that BCM is part of every manager's normal responsibilities. Therefore the BCM Co-ordinator must ensure that all senior management within the organisation understand the importance of BCM and why it is being established. **Unless this is successfully achieved the programme cannot move forward.**

Actions:
- Board commits to BCM and designates sponsor
- Allocation of budget
- Appointment of BCM co-ordinator
- Creation of BCM team to suit organisation
- Definition of objectives, policies and critical success factors for the programme.
- Establish management process and reporting procedures for the team

1.   Understanding Your Business

This stage is about the analysis of the business and is critical. It provides the basis upon which all subsequent BCM policies and processes are based and therefore cannot be rushed.

First and foremost BCM is about understanding the business and establishing what is vital for its survival. If a mission statement and key supporting aims exist these indicate where the organisation is focused. It is on mission critical activities that BCM has to focused

There are four basic questions to be asked:

- What is this business about?
- When are we to achieve our goals?
- Who is involved, both internally and externally?.

- How are the goals to be achieved?

An organisation has many dependencies both internally and externally that support the mission critical process and functions. These can include suppliers, customers, shareholders, IT systems and manufacturing processes. It is important to identify these at an early stage. The involvement of representatives from these key dependencies will add value to the process.

An organisation has many external influences that can affect the mission critical process and functions. These can include government departments, regulators, competitors, trade bodies and pressure groups. It is important to identify these at an early stage and to take their influence into account.

Actions:
- Identify mission critical processes and functions
- Identify key internal and external dependencies upon which these rely
- Identify external influences that may impact upon critical processes and functions

Business Impact Assessment

Having identified the mission critical processes and functions it is important to determine what the impact would be upon the organisation's goals if these were disrupted or lost. Once having identified those critical processes and functions, a risk assessment can be conducted to identify the many threats to these processes. Whatever risks the organisation faces, there are relatively few effects, for example: loss of critical system(s), site or personnel or denial of access to systems and premises, all of which produce similar disruption. To this end, the BIA enables the organisation to focus risk assessments on essential business elements rather than conduct a global risk-specific analysis. The process will also take into account the time sensitivity of each business function / process to disruption, and this information will determine the recovery objectives.

It is essential to rate the impact of these upon the business. The rating given may be based on high, medium, low or a scoring system of 1 - 10. Where possible, financial values should be placed on the business impact.

It is important that all those involved in the mission critical processes/functions have input to the BIA. Very often these processes are cross function/division and agreement must be reached on the ratings.

At this stage the BCM Co-ordinator should gain agreement from the Board level / Executive sponsor responsible for BCM on the output of the BIA. Unless this is place the next stages become invalid.

Actions:
- Determine impact on business of loss of mission critical process / functions
- Ensure involvement of appropriate functions
- Apply rating, including time dependencies
- Obtain sponsor's approval to BIA output

Risk Assessment

Risk Assessment (RA) is used to determine the internal and external threats that could cause loss or disruption and their likelihood of occurrence.

Utilising recognised risk techniques, a scoring can be achieved (for example, high-medium-low, 1 – 10, unacceptable/acceptable risk). It is now possible to combine findings from the BIA and RA to produce a ranking system identifying those areas where the initial BCM should be concentrated. Agreement must be sought from the Board or Executive Member responsible to the rankings produced.

Actions:
- Determine the threats to critical processes/functions
- Examine existing risk strategies/analysis
- Apply scoring system to risks identified
- Produce combined BIA and RA ranking to identify key focus for BCM
- Obtain sponsor's approval to BIA/RA output

2. Continuity Strategies

Having identified those areas where the organisation is most at risk, a decision has to be made as to what approach is to be taken to protect the operation. **With the introduction of the Turnbull Guidance on Internal Control this decision must be taken at Board level.**

Many possibilities exist, and it is likely that any strategy adopted will comprise of a number of these approaches. Whichever are chosen, there are certain considerations to bear in mind, as indicated below:

- **Do nothing –** in some instances the board may consider the risk commercially acceptable
- **Changing or ending the process –** deciding to alter existing procedures must be done bearing in mind the organisation's key focus
- **Insurance –** provides financial recompense / support in the event of loss, but does not provide protection for brand and reputation
- **Loss Mitigation –** tangible procedures to eliminate / reduce risk
- **Business Continuity Planning –** an approach that seeks to improve organisational resilience to interruption, allowing for the recovery of key business and systems processes within the recovery time frame objective, whilst maintaining the organisation's critical functions.

Any strategy must recognise the internal and external dependencies of the organisation and must have general acceptance by management functions involved.

Actions:
- Identify possible Business Continuity strategies
- Assess suitability of alternative strategies against the output of the BIA
- Prepare cost / benefit analysis of various strategies
- Present recommendations to sponsors for approval

3. Developing the Response

There are two parts to this stage, developing the detailed response to an incident and the formulation of the plans that support that response. The input to this process is taken from the analysis previously carried out and will use the business continuity strategies agreed with senior management.

Emergency Response and Operations

This covers the development and implementation of procedures for responding to and stabilising the situation following an incident, including establishing and managing an Emergency (or Crisis)

Operations Centre. Consultations with the public authorities and 'Blue Light' services are recommended at this stage to understand their roles, responsibilities and powers at the time they become involved in an incident.

It is important to establish what are the potential types of emergency and what responses are needed to deal with them. These will cover the initial actions that will be taken to protect life and property and follow through to salvage and restoration. The components of the Emergency Response Procedure are:

- Reporting procedures covering internal and the external communications to the public agencies, media, suppliers and customers
- Pre-incident preparation based upon the types of incident and to include the management authorities, roles and responsibilities.
- What are the immediate actions are to be taken

Detailed emergency (crisis) response procedures must be developed which will cover:

- Protection of personnel
- Containment of the incident
- Assessment of the effect
- Decisions on the optimum actions to be taken.
- Crisis Communications with all stakeholders including the media.
- Taking account of the powers of the public authorities.

An Emergency (or Crisis) Operations Centre will need to be established to enable the effective management of any incident. The following must be considered:

- Location of the operations centre, (taking account of possible cordons created by the public emergency services)
- Design and equipping the centre
- Command and decision authority roles during an incident
- Communications requirements
- Logging and documentation methods.

It is essential that a procedure is established for command and control of the incident. The procedure must include:

- Opening the Emergency operations centre and its security arrangements
- Scheduling of the teams to man the centre and the supply of food and welfare facilities for the teams
- The management and operations of the centre
- Closing down of the centre when the crisis has ended.

There will be many calls upon the operations centre and it is important to develop, implement and exercise emergency response and prioritisation procedures. This includes the determination of priorities for actions in an emergency. This must include the first aid and medical procedures to be taken if appropriate.

The final stage of Emergency Response and Operations is to determine the actions to be taken in the area of salvage and restoration. There is a requirement to assemble a reaction team who will be deployed to determine the extent of the incident, this applies to incidents that affect both tangible or in-tangible assets. They will be required to gather information as quickly as possible and assemble this to that the initial actions can be taken and then to maintain a flow of information as the incident develops.

In terms of a physical incident there is:

- A need to identify the immediate loss mitigation and salvage requirements
- Understand the need for and, if necessary, prepare an action plan for site safety, security and stabilisation.
- Identify methods of protecting on site assets, including equipment, premises, data and documentation.
- A need to establish liaison with the external agencies

Developing Business Continuity Plans

The heart of the Business Continuity Management process is the Business Continuity Plan (BCP). This document brings together the actions to be taken at the time of an incident, who is involved and how they are to be contacted. The plan or plans must reflect the current position of the organisation and all it stakeholders. A BCP should be designed to provide recovery of the organisation within the recovery time objectives established during the BIA process.

In developing of the plan consideration must be given to:

- The use of planning aids, plan development and maintenance tools
- Inclusion of job descriptions for those involved in delivering the plan
- What action plans and checklists should be provided
- What information databases and other supporting documentation are required

A definition of what constitutes a 'disaster' for the organisation should be agreed and included in the plan. It is important to differentiate between an interruption and a 'disaster'. There should be a clearly laid out escalation procedure setting out how a 'disaster' is declared. It is recommended that the key phases of the recovery are identified agreed and documented within the plan.

The plan should also include:

- The recovery team description, responsibilities and organisation
- Support staff required including recovery and group co-ordinators
- The location and equipping of the Emergency (Crisis) Operations Centre

A procedure should also be established to shift from the emergency response plan to the business continuity plan.

A draft BCP can now be produced on a plan structure that is suited to the organisation. There may be a requirement for departmental plans and it is important that these integrate into the high level plan for the organisation. At the draft stage it is important to establish mechanisms that will allow for the easy maintenance of the plans in the future.

The plan should seek to allocate tasks and responsibilities and:

- Differentiate between recovery and departmental teams
- Identify task to be undertaken
- The teams required to perform required tasks and their responsibilities
- Identify and list key contacts, suppliers and resources.
- The communications required to inform stakeholders and media.

The plan should define the business continuity procedures and should cover the mission critical process and functions of the organisation. It should detail what are the key resources used and what processes are to be followed to recover these resources and continuity the business. Areas to be included are:

- The use, location and protection of critical information and documentation.
- The requirements for workspace for critical functions
- The telecommunications requirements of the operations
- The essential personnel requirements to deliver the agreed level of service

The plan should integrate into other key plans:

- Crisis Communications and PR
- Safety and Emergency plans
- IT and Communications Recovery
- Security
- Departmental operating plans
- Supply Chain logistics
- Operational Risk Management

The BCP may include the following:

- General Introduction and Overview
    - Objectives
    - Responsibilities
    - Exercising
    - Maintenance
- Plan Invocation
    - Disaster declaration
    - Damage assessment
    - Continuity Actions and Procedures
    - Team organisation and responsibilities
    - Emergency (Crisis) Operations Centre
- Communications
    - Who should be informed
    - Contacts
    - Key messages
- Suppliers
    - List of recovery suppliers
    - Details of contract provision

Full document management procedures should be associate with the BCP in order to maintain its currency. A list of all plan holders has to be maintained together with a distribution and change control process.

4.   Establishing the Continuity Culture

Documenting the BCP is one element of developing a BCM strategy. Its success, however, depends upon:

- Implementation of the recommendations made, across the entire business.
- A programme of training of those directly involved in the execution of the plan

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- An education and awareness programme to ensure enterprise-wide understanding and adoption of the plan, covering internal and external stakeholders, i.e. employees, customers, suppliers and shareholders

It is essential to commit to implementing all recommendations and strategies identified in the BCP, otherwise investment made in its preparation will be redundant. Similarly training and awareness must be embarked upon to ensure that the entire organisation is confident and competent concerning the plan. All parties must appreciate the importance of BCM to the operation's survival and their role in this process.

This awareness should extend to those external stakeholders and third parties upon whom the organisation depends/has influence in both normal and crisis operations.

By implementing of the plan in this manner, all those associated with the organisation can have confidence in its ability to manage in a crisis, and begins to embed the continuity culture within it.

Actions:
- Select the Emergency Management/ BCM/ Crisis and Recovery Teams
- Implement relevant training programmes for each team dependent upon task, including crisis communications/ media training as appropriate. This process is ongoing as team members change.
- Establish/ equip emergency and crisis centres
- Establish internal and external contractual arrangements/ service level agreements
- Implement back-up and off-site storage arrangements
- Distribute plan documentation as appropriate
- Conduct internal and external awareness programmes. These programmes can be built into employee and supplier induction processes and customer marketing programmes.
- Prepare crisis communication statements for all stakeholders

5.   Plan Exercising, Maintenance and Auditing

Exercising the Plan

A BCP cannot be considered reliable until it is exercised and has been proven workable, especially since false confidence may be placed in its integrity. Exercising the plan therefore assumes considerable importance. Exercising can take various forms, from a test of the communications plan, a desk-top walk-through to a full system test. The objective of the exercise is twofold, to verify that the plan is practically workable by modelling recovery from disaster conditions and training to familiarise staff with the operation of the plan.

The frequency of the exercise is dependent upon business need and the environment in which it operates. A minimum requirement should be every 12 months, but for some businesses or processes where the pace of change is particularly aggressive, a more frequent programme may be necessary.

Actions:
- Establish a meeting of key recovery staff
- Prepare a representative and suitably detailed disaster scenario. Include aspects such as date, time, current workload, political and economical conditions, accounting period end, concurrent activities.
- Initiate the exercise as a walk-through or a full system test by summarising circumstances. Consider whether to vary those published, for example by substituting for a key player.
- Document and evaluate exercise results, amending the Plan where necessary.

Plan Maintenance

Organisations exist in a dynamic environment and are therefore subject to change – in people, process, market, risk, environment, geography, even business mission – and the BCP must reflect these changes to remain valid.

A process must be established whereby the BCM team is informed of these changes and can incorporate them into the Plan. The effective change control procedures must be implemented to ensure distributed Plans are of the same issue.

Actions:
- Define Plan maintenance scheme and schedule
- Monitor activities
- Update Plans
- Distribute under formal change control procedures

Plan Audit

The audit process ensures that the BCM process remains current and viable in line with organisational change and current BCM practice. This process should ideally be carried out by an independent auditor – that can be external or internal - to ensure objectivity. As with exercising, the audit should be conducted on a minimum of an annual basis. It is desirable to use a recommended industry audit process, which facilitates benchmarking.

Actions:
- Set audit objectives and scope
- Assess and select the audit method
- Audit the administrative aspects of the BCM process
- Audit the Plan's structure, contents and actions sections
- Audit the Plan's documentation control procedures
- Submit to the sponsor