

BCM – An Executive Guide

This document provides a straightforward jargon free guide to implementing Business Continuity Management (BCM).

What is BCM?

BCM is a process that provides an organisation with the capability for an effective response to events that might threaten it, and as a result improves its resilience.

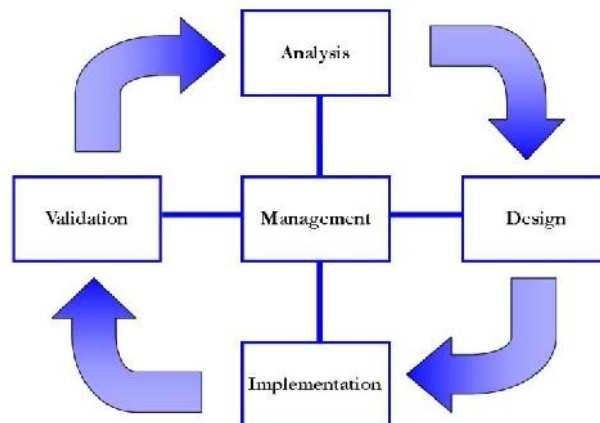
Despite being recognised as an essential element of good corporate governance, there remains a great deal of uncertainty amongst executives about how BCM can, in practice, be implemented without incurring unnecessary expense and bureaucracy. The way forward is often unclear, creating one of the most significant barriers to its adoption.

This paper has been produced to help executives overcome this barrier by providing a practical guide in how best to proceed, and to avoid the two most common mistakes that are made when implementing BCM:

- Taking too long to complete an initial implementation
- Over complicating the process

Implementing the Process

BCM is a four stage process that needs to be managed, as shown in the following diagram.



The process is one of continual improvement. As such, one of the keys to a successful implementation of BCM is to understand that the emphasis during the first iteration should be on completing and validating the process rather than looking for perfection. This first iteration is best undertaken as a project, with start and end dates and defined deliverables.

Another very good reason for not looking for perfection is that every organisation exists in a dynamic environment, and the longer the time taken to complete the first iteration, the more likely it is that things will have changed and that the work will need to be repeated before any deliverables are produced. There is, therefore, a very real trade-off between time and accuracy where an optimum exists for each organisation. In Merrycon's

experience, one iteration should never take more than a full year, and preferably be completed within six months.

In order that this can be achieved, things need to be kept simple. Detail and complexity can be added at a later date with successive iterations of the life-cycle building on previous ones.

Management

The starting point in any organisation is to make someone responsible for the implementation of BCM. This individual should be a member of the organisation's executive management team, with the authority to ensure that others in the organisation take the process seriously enough to devote the time that will be required. This person is likely to delegate the actual implementation of the BCM process to a competent individual who has either been trained in how to implement BCM, or who is provided with expert assistance from appropriate specialists.

Although one member of the executive team has been made responsible, it doesn't mean that the others can ignore the process and take no part in it. As with any other management discipline, such as Marketing, the whole executive management team will need to agree the plans, budget, and resources, and play their part in ensuring that it is a success.

The first decision that needs to be made is to determine the scope of the initial implementation. This will be defined in terms of the organisation's products and services, and it is often a good idea to restrict the scope of the first implementation to just a few products and services so as to be able to learn about the process before widening the scope in successive iterations of the life-cycle. For small organisations, the initial scope can encompass all products and services, but for a larger organisation, Merrycon recommends selecting an area of the organisation that is relatively straightforward.

Once the scope for the initial implementation has been agreed, a BCM Policy document should be produced. The purpose of this document is to provide information to the organisation's staff and other interested parties about the BCM programme being implemented, and as well as specifying the scope, this document will contain information on such things as objectives responsibilities, and standards.

The BCM Policy document will be unique to each organisation, and should be clear, precise, and to the point. There is no merit in producing a large wordy document, because it won't be read, and even if it is read, it won't be understood. Keep it simple.

Planning

Before starting the initial implementation, a project plan should be drawn up.

This plan should cover the four stages of the BCM process and specify the objectives, scope, tasks, people involved, timescales, deliverables, and milestones. Some organisations use formal project management tools and methods, but these should only be used if they are already in place and in wide spread use. Do not try to implement these in conjunction with BCM, one new management discipline at a time is enough for any organisation.

The four stages of the process are not equal in terms of the time and effort required, so do not fall into the mistake of allocating 25% of the timescale of the project to each stage. In

practice, the first stage (Analysis) takes the longest and is the most complicated, followed by the third stage (Implementation). Depending on the complexity of the organisation and its existing resilience, the second stage (Design), may be the shortest.

Analysis

Analysis is all about identifying the impact on the organisation of an incident that causes disruption and the resources required to enable the organisation to continue and recover its activities in the timescales required.

There are three basic ways of obtaining this information: meetings, workshops, and questionnaires. Of the three, questionnaires are the cheapest, but are unlikely to yield consistent results. In Merrycon's experience, individual meetings with the most senior executives followed up by workshops with operational managers yield the best results, but can be expensive and time consuming.

Whichever method is selected though, effort in this initial implementation should be concentrated on the organisation's most urgent activities – those that need to be recovered most quickly.

The output from this first stage will form the foundation of any business continuity plans that will be produced.

Design

In this stage of the process, the management structure that will be used to respond to an incident is designed, and the strategies and tactics for recovery selected.

Unless there are good reasons why not, the management structure used to respond to an incident that has the potential to cause disruption to the organisation's operations should reflect the organisation's existing management structure.

For some organisations, particularly those where activities are replicated across a number of sites, the strategies and tactics can be almost self selecting. For others though, difficult choices may need to be made in terms of how much money the organisation is prepared to spend to obtain the degree of resilience that it is looking to achieve.

Crucial to the success of this stage is to ensure that the organisation's executive understand the degree of resilience provided by the agreed strategies and tactics, and have authorised the work required to turn the strategies and tactics into reality. Some of this work may be substantial, such as establishing working replicas of critical computer systems, and raises the question of whether the implementation of BCM should be suspended whilst the work is being undertaken.

The answer to this question should always be no. Suspending the implementation of BCM will stop the momentum that has been built up, and will often lead to the implementation never being completed. The implementation should continue whilst the work to implement the strategies and tactics is being undertaken, and any plans produced before the work is completed should reflect the actual resilience and recovery capabilities that are in place when the plans become operational. They can always be updated later on when the work has been completed.

Implementation

The third stage of the life-cycle is concerned with establishing the incident response structure and building the business continuity plans.

The number and type of plans required will depend on the scale and complexity of the organisation and its activities. Separate business continuity plans can be created for use by the executive management, each division, location, product, service, or department.

Whatever the number and type of plans, it is important that the scope of each plan is clearly defined, along with the roles and responsibilities of the teams that will activate and use the plans in response to an incident.

It is also important to keep in mind that these plans are being developed to be used in potentially stressful situations, and as such they need to be clear, unambiguous, easy to follow, and should not contain unnecessary information that will not be required. Similarly, they should contain all the critical information that may be required to respond to the incident.

A common mistake is to over complicate plans and include information that is readily available elsewhere or not actually required when responding to an incident. As well as the potential to distract people from the essential elements of the plan, the more information that is included in a plan, the more difficult it will be to maintain.

Validation

The fourth stage of the life-cycle is to exercise and maintain the plans, and to review the process.

Exercising can take many forms, from simple walk-throughs to full scale rehearsals. As a minimum, each team responsible for using a plan should be taken through a desk-top exercise once a year. Using a plan for the first time when responding to a real incident is not to be recommended. However, don't "try to run before you can walk", exercising should start simply and increase with complexity as time goes on.

Maintenance should not be an afterthought; it should be designed in at the start. The organisation and the environment in which it exists will change, and much of the information held in the plans will be of a volatile nature. Procedures for maintaining the plans should be implemented before they are made operational, to ensure that those receiving the plans have the most up to date versions.

Finally, a review of the initial implementation needs to be undertaken, the result of which will be a plan to extend and improve the BCM process through further iterations.

Summary

In summary:

- BCM is implemented through successive iterations of a process
- Complete the first iteration within 6 to 12 months
- Make a member of the senior executive responsible for BCM
- Keep it simple
- Don't aim for perfection