Business Continuity and Disaster Recovery Planning

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Business Continuity/Disaster Recovery

Planning to ensure the continuation/recovery of operations in the event of a incident or disaster. Includes the actions to be taken, resources required, and procedures to be followed to ensure the continued availability/recovery of essential services, programs, and operations in the event of unexpected interruptions.

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Why? "Stuff" Happens

- The number of declared major disasters nearly doubled in the 1990's compared to the previous decade

- 43% percent of businesses experiencing a disaster never reopen; an additional 29% close within two years (Federal Emergency Management Agency (FEMA))

- One in Five companies (19%) suffered a disaster which resulted in their organization having to cease operations for a period of time (2004 Opinion Research Corp)

- From 1991 to 2000, FM Global recorded 2,281 losses in which a client's emergency response was activated; when the response was properly planned and implemented, the average gross loss was US$920,020. When the response was inadequate, the average gross loss was US$4.1 million.

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Plan for All Hazards

Natural Hazards

- **Geological:** Earthquake, Tsunami, Landslide, etc.
- **Meteorological:** Flood, Hurricane, Tornado, etc.
- **Biological:** Avian Flu, West Nile Virus, etc.

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Plan for All Hazards

Man-made Hazards

- **Accidental:** Operator Error, Fire, Water Leaks, etc.
- **Deliberate:** Strike, Terrorists, Bomb (real/hoax), etc
- **Indirect:** Power Failure, Telecommunications Failure, Hazmat (spill/release), etc.

Common Effects

- Data Loss
- Loss of Personnel
- Denial of Access
- Productivity Loss
- Interrupted Cash Flow
- Loss of Image/Reputation

- Loss of Market Share
- Cost of Recovery
- Loss of Profits
- Loss of Facilities/Equipment
- Liability/Regulatory Issues

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Process

- Risk Assessment & Mitigation
- Business Impact Analysis (BIA)
- Recovery Strategies
- Emergency Response and Operations
- Crisis Communications
- Developing & Implementing Plans
- Awareness & Training
- Maintaining & Exercising Plans
- Coordination with Public Authorities

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Risk Assessment & Mitigation

- Identify the risks (events and surroundings) that can adversely affect the organization

- Controls and actions needed to prevent or minimize the effects these risks may have on the organization

AP/Paul Sakuma

Business Impact Analysis

- Identify essential/critical systems, processes and functions

- Assess the impact to the organization resulting from a disruption

- Establish recovery priorities
  - Recovery Time Objective (RTO)/Maximum Tolerable Downtime (MTD)

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Recovery Strategies

- Personnel
- Data (Vital Records)
- Facilities/Equipment
- Infrastructure
- Supplies/Resources
- Off-Site and Alternate Facilities
- Assess Strategies
  - Suitability
  - Cost/Benefit

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Emergency Response and Operations

- Procedures and immediate needs for response and stabilization of the situation following an incident or disaster

  - Emergency Operations Center (EOC)
  - Incident Command System (ICS)
  - Critical Incident Stress Management (CISM)

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Crisis Communications

- Procedures to deal with the media during an incident or disaster

- Procedures to communicate with employees, families, corporate management, key customers, owners/stockholders during an incident or disaster

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Developing & Implementing Plans

- Roles and Responsibilities
- Essential/Critical Functions
- Action Plans/ Tasks /Checklists
- Organizing Information (Recovery Teams, Contact info, Vendor info, etc.)
- Assessments
- Resources
- Restoration and salvage considerations
- Plan Distribution/Controls

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Awareness & Training

- Create corporate awareness
- Enhance skills required to execute the plans

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Maintaining & Exercising Plans

- Procedures to ensure the continued effectiveness of the plans

- Conduct exercises to assess plans, improve performance, evaluate resources

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Coordination with Public Authorities

- Establish the relationships and procedures needed to coordinate the response and recovery efforts with local, state, and federal agencies

BICEPP ®

Business and Industry Council for Emergency Planning and Preparedness

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PS-Prep

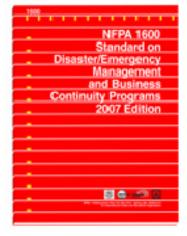Voluntary Private Sector Preparedness Accreditation and Certification Program (DHS/FEMA)

- <u>ASIS SPC.1-2009</u> *Organizational Resilience: Security Preparedness, and Continuity Management System.* – American Society for Industrial Security.
- <u>British Standard 25999-2:2007</u> *Business Continuity Management* – British Standards Institution.
- <u>National Fire Protection Association</u> 1600: 2007/2010 *Standard on Disaster / Emergency Management and Business Continuity Programs* – National Fire Protection Association

NFPA 1600

• NFPA 1600 Program Elements - With **ICS** terms in **Red** and **Business Continuity** terms in **Blue**

- Laws & Authorities
- Hazard Identification, Risk Assessment, and Impact Analysis
- Hazard Mitigation
- Resource Management
- Mutual Aid
- Planning
- Direction, Control, and Coordination
- Communications and Warning

- Operations and Procedures
- Logistics and Facilities
- Training
- Exercises, Evaluations, and Corrective Actions
- Crisis Communication and Public Information
- Finance and Administration

NFPA 1600 Standard on Disaster/Emergency Management and Business Continuity Programs 2007 Edition

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Rate Your BC/DR Program

DR/BC Program Maturity Model

The DR/BC Program Maturity Model provides a basic idea of where your DR/BC Program stands. Areas that received a Level 1 or Level 2 score should be examine closely.

Organization: _____

Date: _____

	Level 1 (Inadequate)	Level 2 (Marginal)	Level 3 (Acceptable)	Level 4 (Best Practice)
Risk Assessment & Mitigation				
Business Impact Analysis				
Recovery Strategies				
Emergency Response and Operations				
Crisis Communications				
Developing & Implementing Plans				
Awareness & Training				
Maintaining & Exercising Plans				
Coordination with Public Authorities				

Level 1 (Inadequate) – No/Ad-Hoc planning

Level 2 (Marginal) – Limited planning/documentation, No/Limited testing and updates

Level 3 (Acceptable) – Complete/Near Complete documentation, Limited testing and updates

Level 4 (Best Practice) – Fully documented (addressing Most/All elements of Industry Standards/ Guidelines), Regularly tested and updated

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Where Do You Start?

- **Level 1 (Inadequate)**
  - No/Ad-Hoc planning
- **Level 2 (Marginal)**
  - Limited planning/documentation, No/Limited testing and updates
- **Level 3 (Acceptable)**
  - Complete/Near Complete documentation, Limited testing and updates
- **Level 4 (Best Practice)**
  - Fully documented (addressing Most/All elements), Regularly tested and updated

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Where Do You Start?

- Risk Assessment & Mitigation
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Next Steps

- The BC/DR Program Maturity Model provides a *basic idea* of where your BC/DR Program stands. Areas that received a Level 1 or Level 2 score should be examine closely

Questions?

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