



Business Continuity Planning -

Robert Mackenzie looks at the practical side of how a charity should prepare for any unforeseen events.

YOU arrive at work one morning and your phone has no dialling tone and it won't be back anytime soon. Over the next few minutes it quickly unfolds how many other key components of your day to day business processes have failed. It's like all your Monday mornings rolled into one.

During November 2009 the Government conducted an exercise which entailed exactly that. Everyone arrived to work only to find no phones were working, which you can imagine would be a problem. Fortunately for them it was just an exercise, one of many they conduct regularly. Next time they may be more adventurous and cut all forms of communication by doing it without the Internet and e-mail as well.

However for most charities, when something similar occurs, it won't be an exercise and they are unlikely to have had much practice in dealing with disasters. It goes without saying that at times like these you would really like a Business Continuity Plan (BCP) that actually works. Unfortunately you're unlikely to have one. OSCR report on the breakdown of the annual expenditure of charities and a small percentage, if any, is invested in setting up business continuity plans for use in the event of the unforeseen. (OSCR Scottish Charities 2008 report)

Previous articles have looked at approaches to assessing risk and identifying likely scenarios. In this article we are considering what to do and how to prepare for when the least likely events actually do happen.

The harsh reality is that fires, floods, utility outages, data loss, pandemics, terrorism or even more mundane activities such as office moves do all occur. Any one of which could result in a major disaster, which cripples key parts of your charity's business.

Successful Business Continuity Management requires commitment and participation from senior management. Any charity's aim should be to build Business Continuity into its culture by including it as an integral part of the life cycle of every new project and the change management process for all existing systems.

"It's like all your Monday mornings rolled into one."

This was a major challenge for one of our clients in the culture sector, who only succeeded with implementing their business continuity plan (BCP), after they had adopted a structured approach to project management throughout the organisation. As a consequence their BCP

project was launched on the back of a Project Initiation Document which was signed off by Board members and which set agreed target dates for the delivery of each stage of the project.

This approach overcame the latent resistance, and in some cases hostility, to the project, because individuals were formally tasked with participating and held accountable for their contribution to the process.

Two other organisations I have worked for had the advantage of suffering from a minor disaster during the plan development process.

One had a flooding incident from its sprinkler systems and the other a major power outage, which was restored relatively quickly. In both cases however management resolve was instantly galvanised and the projects progressed to a successful outcome well within the scheduled timescale. Not an approach I could advocate for every organisation but one that certainly worked.

The diagram below illustrates some of the steps involved in creating an effective Business Continuity plan from the commencement of the project through to the ongoing management of the process.

In effect this is what you have to do.



How to make it work for you



How prepared for a disaster are you?
Picture: Axel Rouvin

will ensure that the BCP is updated to reflect every change to business processes or systems.

This all sounds straightforward in theory – now how are you going to implement it?

The recommended approach is to set up a working group involving people from each section of the charity to evaluate the criticality of all the systems it uses on a daily basis.

The systems should be evaluated using the following criteria:

- What it is;
- How does it fit into the organisation environment;
- How does it link to other systems;
- Is data from another system needed to support it;
- Who uses which system;
- What is the maximum amount of time that it can cease to function
- What are the minimum resources the system requires – hardware, software, networks, scientific equipment, specialist facilities.

Once evaluated, recovery options should be developed based on the period of time that the organisation can continue without the use of the systems identified and prioritised.

1.1 Commencing the project

As you can see this is a major project and effective project management is essential in ensuring the efforts of a team drawn from all parts of the organisation are deployed effectively.

Selecting the right team is critical, there must be senior staff committed to the job. In some situations I have supported project teams who

are asked to produce a fully operational BCP in their spare time. Those involved must be freed up from their day to day duties for sufficient time to allow them to do the tasks associated with the project.

Resources for charitable organisations are always carefully planned and so this aspect could present difficulty, however the commitment to creating such a plan needs to be written into strategic organisation plans at the beginning of their financial year to allow for such a resource to be available. In the most

The key issues a successful BCP project will need to address:

Business impact analysis allows the charity to identify what is at risk and which business processes are most critical.

For example in the housing sector the threat may be a fire in a sheltered housing complex. In which case they will not just have one individual or family to deal with, but may be faced with a significant number of vulnerable individuals with no safe place to shelter. In this situation rent collection is unlikely to be their main priority. They need to consider lead responsibilities between them and the emergency services and social services.

Risk analysis will breakdown each area involved with running your charity and identify risk surrounding it, therefore giving a clear idea of how to plan different strategies to add to your project plan.

Development of **recovery strategies** and

processes identifies the actions required and their related costs. Where costs are excessive or outside the available budget, the charity will need to revisit the business recovery requirements to either justify the investment required or alter the business recovery requirements.

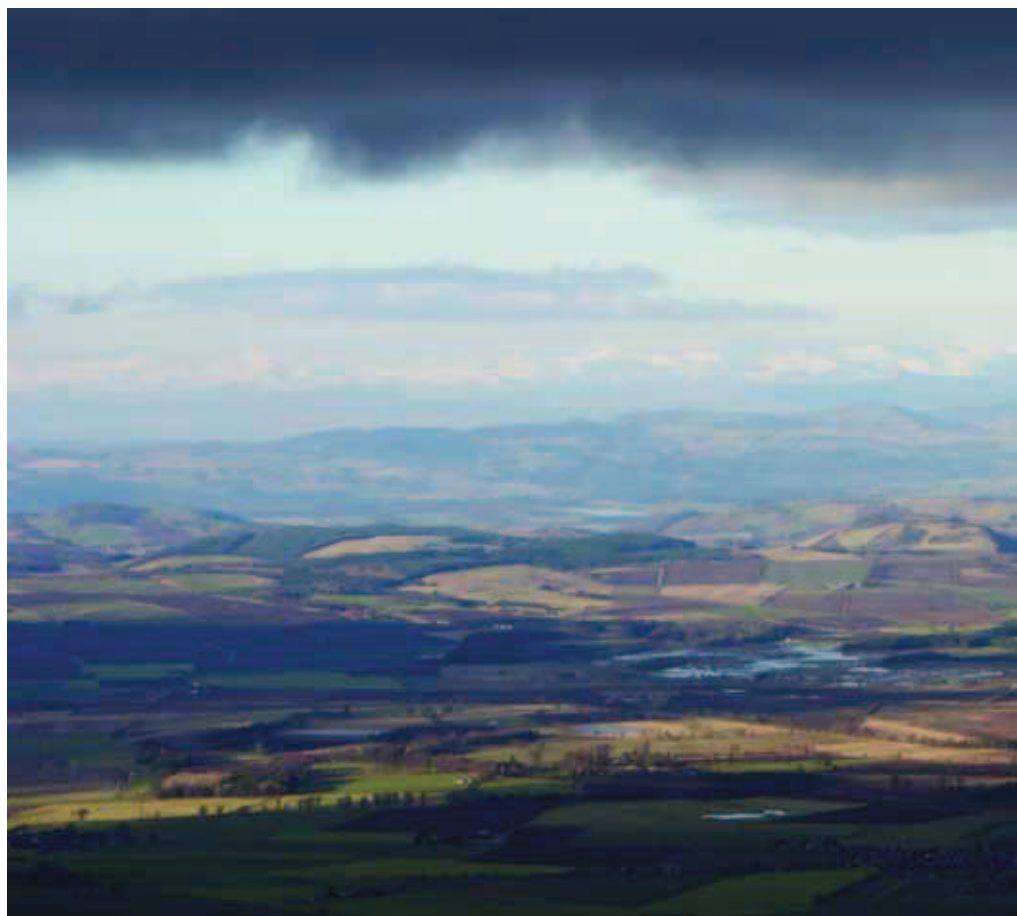
Creation of a **planning organisation** will identify those staff who will become responsible for the day to day upkeep and operation of the BCP processes. They will be the individuals who create and maintain the detailed plans and procedures and this should be led from the top.

Testing of the recovery process is essential before implementation if the charity wants to ensure that their plan is going to work.

A **maintenance process** is essential if you intend to keep the plan current. This process

“Those involved must be freed up from their day to day duties.”

Business Continuity Planning ... continued



▶ extreme cases I have actually refused to continue as an organisation's BCP consultant (not an easy thing for a consultant to do) until the senior managers have committed to support their team and ensure they are given the resources they need to complete the project.

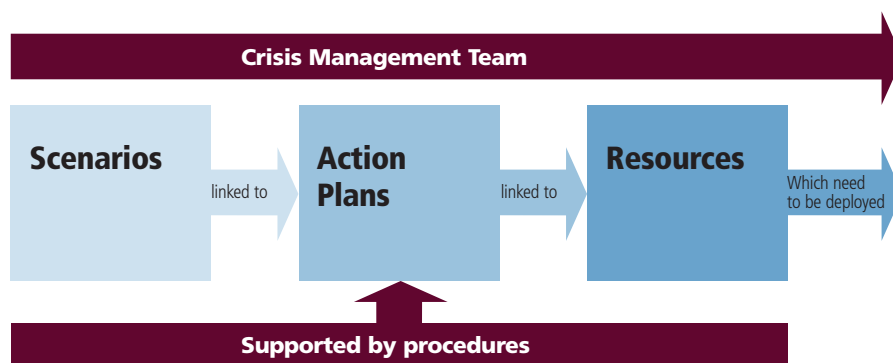
As with any good project you need to start by agreeing a Project Initiation Document (PID) which sets out the tasks for the remainder of this important project.

The first step in the process for each area should be the completion of a Threat and Vulnerability Matrix. This is ideally done in facilitated workshops where responsible operational managers are involved in identifying what kind of major disruptions will stop them from achieving their objectives. Doing this in a group setting is nearly always a much more productive approach and helps to remove the more outlandish contributions. On completion select from the threats with the highest likelihood and develop typical scenarios of how the threats might materialise. It is also useful to quantify the scale of impact and identify who should be responsible or accountable for dealing with each situation.

It is important not to simply make the Chief Executive responsible for everything. It should be the relevant operational managers; such as the Head of Events if the disaster struck during a major fundraising event such as a fun run; or the Head of Care Services if it was a fire in a nursing home. They are the people with the directly relevant knowledge of what should be done first.

The scenario provides a realistic and sensible interpretation of the type of situation which could have a significant impact on the day to day running of the organisation. Once the scenarios have been defined the approach is then to develop detailed action plans capable of responding to these likely scenarios.

The action plans for each scenario are then linked to the relevant resources, be they people, facilities or infrastructure, (for instance transport to alternative care accommodation, or medically trained staff) which are required to perform the



planned actions. Ideally the majority of these actions would be supported by procedures setting out how a particular task is to be

“Working with a peer group is very good for boosting confidence.”

performed. These could be anything; from lists of phone number and pre prepared briefings to use for contacting staff or the media; to contracts and order details for use when notifying a supplier of urgently required replacement equipment; or any of the other myriad tasks which would need to be carried out.

The entire process would be coordinated by a Crisis Management Team who have the authority to make decisions. So once again Senior Management of charities need to be involved in making critical decisions and

nominating who will be responsible as project manager. The diagram above illustrates the relationship between these processes.

A good way of developing an effective BCP in a short space of time is to hold BCP workshops to start the process of compiling action plans for a number of the scenarios identified in the Threat and Vulnerability Matrix. This approach produces both a tangible product from the workshop and also provides the participants with the experience of actually performing the process of working through the development of an action plan.

Working with a peer group is very good for boosting participants' confidence and allows them to conduct a reality check on each others proposed plans. It also helps to ensure that they are all working to a common standard



A good BCP should allow you to see the blue sky.

Picture: Michael Gill

The above actions should be co-ordinated under the guidance of the project manager. They would provide a sound start to the process of compiling and maintaining an effective Business Continuity Planning process which is an ongoing project.

1.2 Next steps

- Each service/department /division produces a plan and establishes a maintenance program.
- Create a timeline and resource plan for the project
- Stick to this simple approach which provides a straightforward method for developing a BCP

1.3 Use of BCP Management Tools

One of the greatest challenges to any BCP is keeping it up to date so that you can actually use it when a disaster occurs.

This is where the use of BCP management tools come in to there own. There are now a number of tools available on the market, which are designed to support the devolvement of plans. Some are targeted to the BCP specialist and are designed to be used by an individual or a small team. However in my own view the most useful are those which can be accessed by all staff, as it allows the compilation of plans and

the update and review of all the associated procedures and contact details to be disseminated across the organisation. In effect all of the relevant operational people are only required to do a small amount of work, related to an area where they are the experts, in order to both create the plan and keep it up to date.

Some tools are also very good at supporting an organisation through the process of developing their plan. They are usually most useful in accumulating the output of the planning process and provide an efficient and reliable method of maintaining the plan and in some cases support its use in an active situation where the plan has to be used.

Internally we have used the Shadow-Planner BCP Management Software suite to support the development of our own plan. This is supplied by ICM Business Continuity Services Limited, who also provide a full range of other BCP related support services.

From the projects point of view, the BCP management tool is normally of greatest assistance to the project team members as it

provides them with a consistent structure within which to approach the exercise.

These types of tools' other main advantage is their ability to manage the maintenance of the

plan and support its use when necessary. This is a particularly powerful feature of such tools and was one of the main reasons Scott-Moncrieff implemented one internally.

I can still recall my time as an auditor testing a client's BCP by calling the emergency response team number, highlighted in large type on the front page of the plan. Only to discover it had been disconnected some months ago by BT.

If all else fails another alternative approach is to secure suitable Business Interruption Insurance, which at least delivers a degree of compensation for the possible losses which may be incurred. Although this may deliver a degree of financial comfort, and is a strategy pursued by many commercial organisations, it is not always compatible with the aims of a charitable organisation. It is a service that originated from the concept of "loss of profits", whereas the key driver for many charities is the delivery of often essential services to potentially vulnerable stakeholders.

The insurance option is capable of taking the sting out of a disaster by providing a degree of financial support. However it should not be considered an alternative to an effective BCP but rather a part of one, where that is appropriate. In addition any insurer offering this type of cover will want to see evidence of your BCP before their premiums come anywhere near the affordable range. It is likely they will start to look for compliance with the British Standard for Business Continuity Management (BSI25999), and in particular certification of compliance now

that BS 25999-2:2007 which specifies the requirements for achieving certification, has been published. ■



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